

NOTE: Being Lot 1.08, Block 93, Tax Map of the Township of South Brunswick.

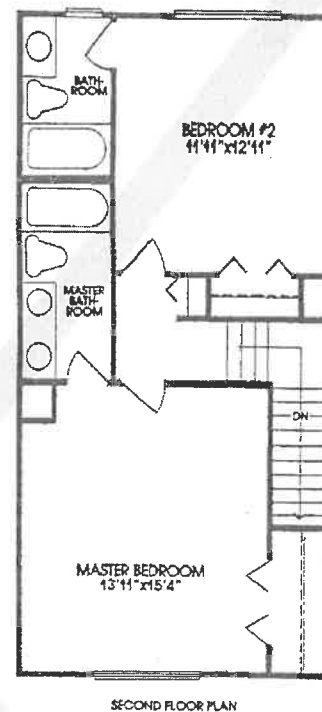
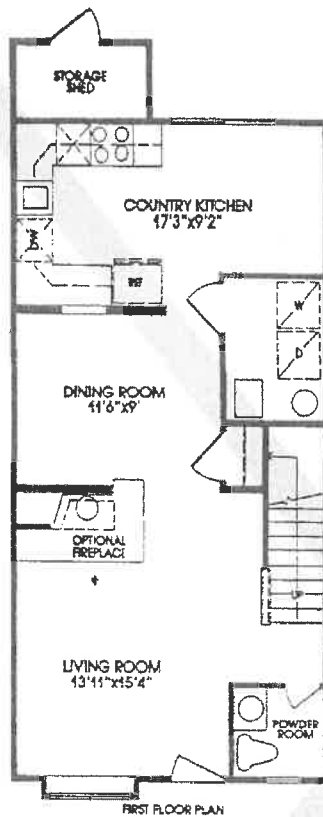
THE AFORESAID TRACTS now appear on the tax map of South Brunswick Township as Lot 3.01 in Block 93.09.

BEING THE SAME PREMISES conveyed to Grantor by Deed from BEEKMAN ROUTE 27, INC., a New Jersey Corporation, dated March 4, 1988 in Book 3684 of Deeds at Page 753.

EXHIBIT "B"

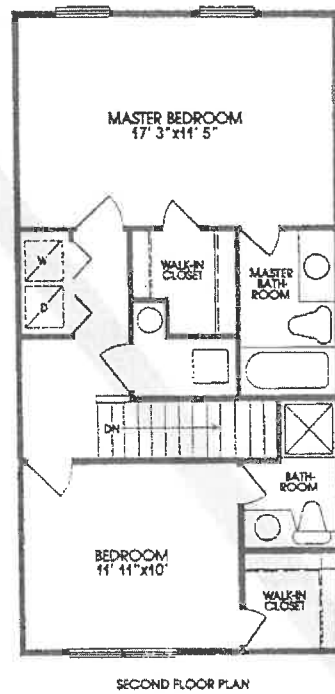
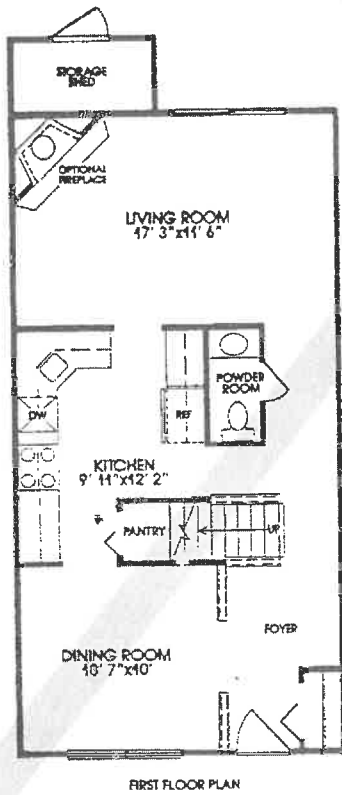
Page 1 of 6 Pages

Unit Floor Plans and Room Layouts

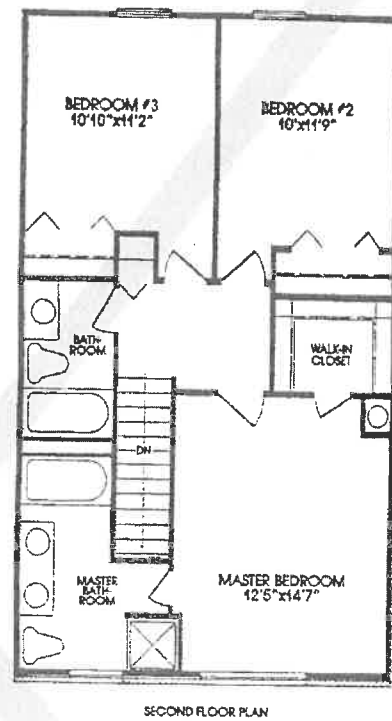
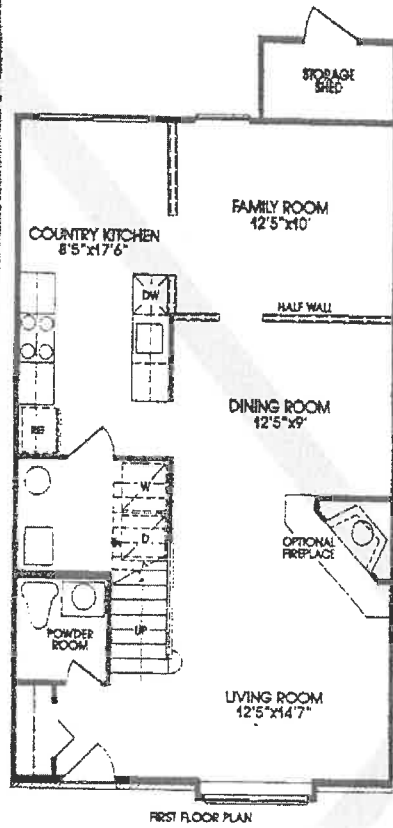


B-Type Unit

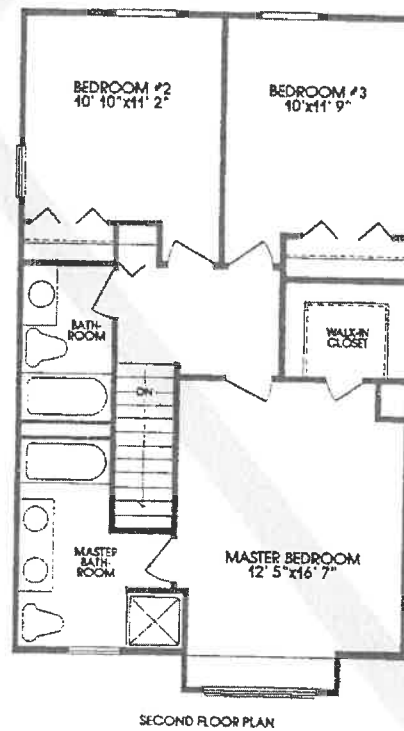
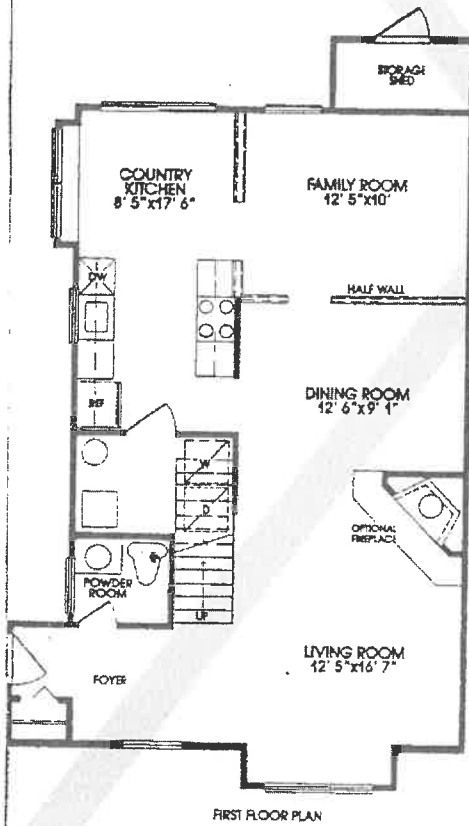
BOOK 3777 PAGE 779



C-Type Unit

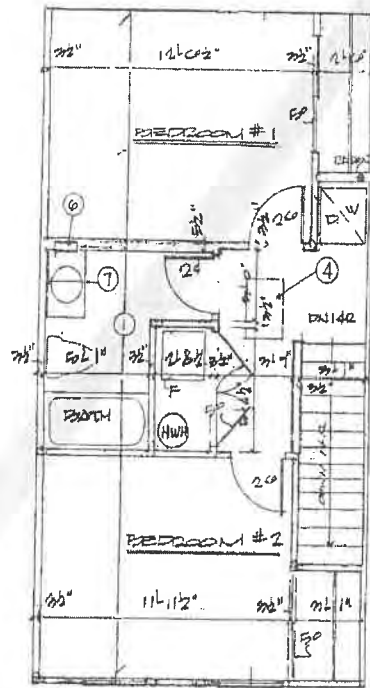
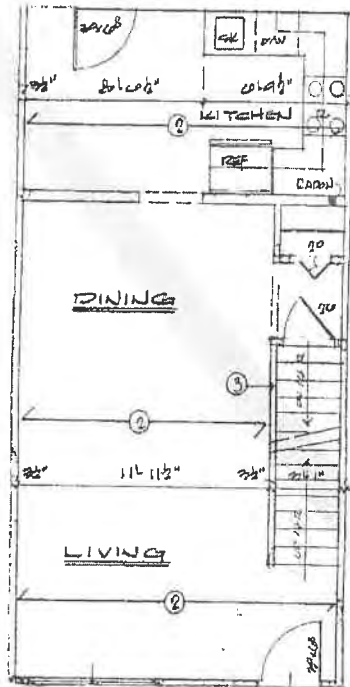


D-Type Unit

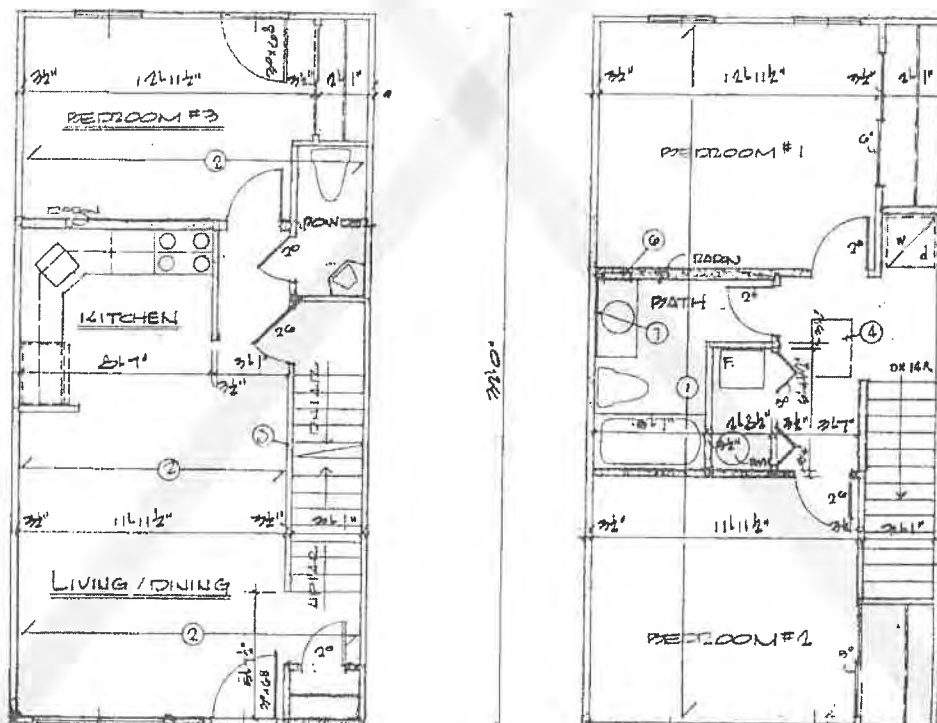


D End-Type Unit

BOOK 3777 PAGE 782



2 Bedroom Affordable-Type Unit



3 Bedroom Affordable-Type Unit

EXHIBIT "C"
CERTIFICATE OF INCORPORATION

OF

NASSAU SQUARE CONDOMINIUM ASSOCIATION, INC.

The undersigned, being over the age of eighteen years, in order to form a corporation pursuant to the provisions of the New Jersey Non-Profit Corporation Act, does hereby certify:

1. The name by which the corporation is to be called is Nassau Square Condominium Association, Inc.

2. The purposes for which the corporation is organized are as follows:

(a) to exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Master Deed and the By-Laws of the Association which are annexed to the Master Deed as Exhibit "D";

(b) to fix, levy, collect and enforce payment, by any lawful means, of the Common Expenses and assessments pursuant to the terms of the Master Deed and the By-Laws of the Association;

(c) to acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) to maintain insurance on the Condominium Property of the types and in the amounts as may be required by the Master Deed or the By-Laws of the Association;

(e) to borrow money and to mortgage, pledge, deed in trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred; and

(f) to have and to exercise any and all powers, rights and privileges which a corporation organized under the Corporations and Associations Not for Profit Act of the State of New Jersey may by law now or hereafter have or exercise.

3. The corporation shall have members, the qualification for which are as follows:

Each Unit Owner (as defined in the Master Deed) shall automatically become and be a member of the Association so long as he continues to be a Unit Owner. Upon termination of the interest of a Unit Owner, his membership shall thereupon automatically terminate and shall be transferred and shall inure to the new Unit Owner succeeding him in interest. Fee simple absolute ownership of a Unit covered by the Master Deed shall be the sole qualification for membership in the Association.

4. The address of the corporation's initial registered office is 742 Alexander Road, Princeton, New Jersey 08540 and the name of the corporation's initial registered agent at such address is Jacob Pleeter.

5. The method of electing trustees shall be as set forth in the By-Laws of the corporation.

6. The affairs of the Association shall be governed by a Board of Trustees consisting initially of three persons (or such greater number as may be fixed by the Board from time to time pursuant to the By-Laws) who need not be members of the Association. Each of the Trustees shall meet the qualifications established by the By-Laws. The names and addresses of the persons who have been selected to serve as Trustees for the first year and until the selection of their successors are as follows:

<u>Name</u>	<u>Address</u>
Michael J. Neill	742 Alexander Road Princeton, NJ 08540
Jacob Pleeter	742 Alexander Road Princeton, NJ 08540
Richard Murphy	742 Alexander Road Princeton, NJ 08540

7. The name and address of the incorporator is Alan G. Frank, Jr., Esquire, 3131 Princeton Pike - Building 6-A, Lawrenceville, New Jersey 08648.

8. Amendment of these Articles of Incorporation shall require the affirmative vote of at least seventy-five (75%) percent of all Unit Owners.

9. The corporation shall exist perpetually.

10. The method of distribution of assets of the corporation upon dissolution shall be as set forth in the By-Laws of the corporation.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Incorporation this 24th day of APRIL, 1989.

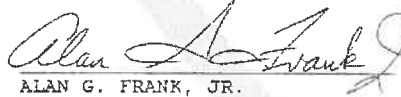

ALAN G. FRANK, JR.

EXHIBIT "D"

**BY-LAWS
OF
NASSAU SQUARE CONDOMINIUM ASSOCIATION, INC.
A New Jersey Not-For-Profit Corporation**

**ARTICLE I
NAME, OFFICE, PURPOSE AND DEFINITIONS**

Section 1. Name and Principal Office. These are the By-Laws of NASSAU SQUARE CONDOMINIUM ASSOCIATION, INC. (hereinafter called the "Association"). The principal office of the Association shall be located at c/o Trafalgar House Residential, Inc. 742 Alexander Road, Princeton, New Jersey 08540.

Section 2. Purpose. The Association is formed to serve as a means through which the condominium unit owners (hereinafter "Unit Owners") may take action with regard to the administration, management, maintenance, repair and operation of the Property (hereinafter defined) of "NASSAU SQUARE, a Condominium" (hereinafter the "Condominium") to be constructed by TRAFALGAR HOUSE RESIDENTIAL, INC. (hereinafter "Developer") on certain lands comprising approximately 35.16 acres in the Township of South Brunswick, Middlesex County, New Jersey, in accordance with the provisions of a master deed (hereinafter the "Master Deed") to be recorded in the Office of the Middlesex County Clerk, New Brunswick, New Jersey, to which these By-Laws are appended as an Exhibit.

The Statute relating to condominiums in effect in the State of New Jersey pursuant to which the Condominium is to be promulgated and governed is P.L. 1969, C. 257, R.S. 46:8B-1 et seq. of the laws of the State of New Jersey (hereinafter the "Condominium Act") and the Association is intended to be the entity responsible for the administration of the Condominium as defined in the Condominium Act.

SECTION 3. Definitions. Unless it is plainly evident from the context that a different meaning is intended, as used throughout these By-Laws, all definitions set forth in the Master Deed or the Condominium Act are incorporated herein by reference. "Member" means the Owner or Co-Owners of a Unit, their heirs, executors and assigns.

**ARTICLE II
PLAN OF UNIT OWNERSHIP**

Section 1. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the buildings ("Buildings") and all other improvements thereon (including the housing Units and the Common Elements), and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all as set forth in the Master Deed.

Section 2. Application. All present and future Owners, Mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the rules and regulations of the Association and the Master Deed.

The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the rules and regulations of the Association and the provisions of the Master Deed, as they may be amended from time to time, are accepted, ratified, and will be

complied with. Each purchaser of a Unit in the Condominium will, by virtue of his ownership, become a Member of the Association. Title to Units may be taken in the name of an individual or in the names of two or more persons, as tenants in common, or as tenants by the entirety, or in the name of a corporation or partnership, or in the name of a fiduciary.

ARTICLE III
MEETINGS OF UNIT OWNERS

Section 1. Place of Meetings. The Unit Owners of the Condominium shall hold meetings at the principal office of the Condominium at c/o Trafalgar House Residential, Inc., 742 Alexander Road, Princeton, New Jersey 08540 or at such other place as may be fixed from time to time, by the Board of Trustees and designated in the notice of such meeting. The first annual meeting of the Unit Owners shall be held not more than sixty (60) days after the earlier to occur of (i) the date on which the Developer has conveyed the last Unit ultimately to be built in the Condominium to a third-party purchaser, or (ii) the date on which the Developer shall have terminated any representation which it may have on the Board, and succeeding annual meetings shall be held on the anniversary date of the first annual meeting, or in the event that day is a holiday, on the first day thereafter which is not a legal holiday in each succeeding year. At the annual meeting the Unit Owners shall elect a Board of Trustees of the Association and may transact such other business as may properly come before the meeting. The Board of Trustees shall initially be designated and controlled by the Developer who shall surrender control thereof to Unit Owners as follows:

(a) Within sixty (60) days after conveyance of 25% of the Units, not less than 25% of the members of the Board of Trustees shall be elected by the Unit Owners other than Developer and the Board shall be expanded to five (5) members.

(b) Within sixty (60) days after conveyance of 50% of the Units, not less than 40% of the members of the Board of Trustees shall be elected by the Unit Owners other than Developer.

(c) Within sixty (60) days after conveyance of 75% of the Units, the Developer's control of the Board of Trustees shall terminate, at which time the Unit Owners shall elect the entire Board of Trustees.

Notwithstanding the above, the Developer may retain one membership of the Board of Trustees so long as there are any Units remaining unsold in the regular course of business.

Upon each such occasion when any of the above shall become applicable, a special meeting shall be called for the purpose of electing Trustees as may be necessary.

Section 2. Special Meetings. Special meetings may be called by the President, Vice-President, Secretary, or a majority of the Board of Directors, and must be called by such officers upon receipt of a written request of thirty (30%) percent or more of the Unit Owners. Such written request shall state the purpose or purposes of the proposed meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice.

Section 3. Record Date. For the purpose of determining the Unit Owners entitled to notice of any meeting of the Association or any adjournment thereof or for the purpose of any other action, the Board of Trustees shall fix in advance a date as the record for such determination. Such date shall not be more than thirty (30) nor less than ten (10) days before the date of

the meeting. If no record date is fixed, then the date shall be determined in accordance with the provisions of law relating thereto.

Section 4. Notice of Meeting. Notice of meetings of the Unit Owners shall be by mail directed to a Member's last known postal address by regular mail, postage prepaid. Notice of the meetings other than the annual meeting shall indicate and state that it is being issued by or at the direction of the person or persons calling the meeting. Any notice shall be mailed or delivered not less than thirty (30) or more than ninety (90) days prior to the date of the meeting. Notice of all meetings at which disposition is to be made of assets, granting of rights or easements in the Property must also be given to the holders of the first mortgages of any Units. In lieu of mailing notices as provided above, hand delivery to the Member or leaving same at a Member's residence in his absence is permitted.

Section 5. Waiver of Notice. Notice of a meeting need not be given to any Unit Owner who signs a waiver of notice either in person or by proxy, whether before or after the meeting. The attendance of any Unit Owner at a meeting in person or by proxy, without protesting prior to the conclusion of the meeting, the lack of proper notice of such meeting, shall constitute a waiver of the notice of meeting by him.

Section 6. Quorum. The presence in person or by proxy of Members representing at least fifty-one (51%) percent or more of the total votes of the Association shall constitute a quorum at any meeting of the Members.

Section 7. Majority Vote. The vote of a majority of Members at a meeting at which a quorum shall be present, in person or by proxy, shall be binding upon the Unit Owners for all purposes except where in the Master Deed or these By-Laws or the provisions of New Jersey Law, a higher percentage rate is required.

Section 8. Voting. The Association may but shall not be required to, issue certificates or other evidence of membership. The aggregate number of votes for all Unit Owners shall be two hundred forty-six (246) and shall be divided among the respective Unit Owners on the basis of one (1) vote per Unit owned. The vote of a Unit shall not be divisible. A fiduciary shall be entitled to vote with respect to any Unit owned in a fiduciary capacity. A Unit which has been acquired by the Association in its own name or in the name of its agents, designee or nominee on behalf of all of the Unit Owners shall not be entitled to a vote so long as it continues to be so held. Votes may be cast by each Unit Owner in person or by his proxy when filed with the Secretary of the Association. The designation of any such proxy shall be made in writing and filed with the Secretary of the Association at least two (2) days before the appointed time of the meeting. A proxy is valid only for the particular meeting designated therein. A proxy may be revoked by the Unit Owner by appearance in person at the meeting and there and then filing with the Secretary, at that time, notice of the revocation.

Section 9. Good Standing. As used in these By-Laws, a Unit Owner shall be deemed "in good standing" and shall therefore be entitled to vote as herein provided at any meeting of the Unit Owners subject, however, to the limitations of Section 8 of this Article if said Unit Owner shall have fully paid all then due assessments and charges as permitted by these By-Laws levied against his Unit and himself at least five (5) days prior to the date fixed for a particular meeting. Provided further that in the event any interest, penalties, costs, fees and the like have been levied against said Unit Owner and his Unit, these interest,

penalties, costs, fees and the like shall likewise be fully paid within the aforesaid time. No Member not "in good standing" shall be permitted to run for a Trusteeship or hold any office of the Association.

Section 10. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum has not attended, the meeting shall be adjourned to a time not less than 48 hours from the time the original meeting was called.

Section 11. Written Consent of Unit Owners: Approval or Disapproval. Any action that may be taken by a vote of the Unit Owners may be taken without a written consent of the Unit Owners duly acknowledged setting forth the action so taken or to be taken by the Unit Owners holding in interest the majority of the total outstanding votes of all Unit Owners in accordance with Section 8 hereof, unless these By-Laws or the provisions of New Jersey law shall require a greater percentage of such votes with respect to a particular action.

Section 12. Order of Business. The order of business at the annual meeting of the Unit Owners shall be as follows:

- (a) Roll Call;
- (b) Proof of Notice of Meeting;
- (c) Reading of Minutes of Preceding Meetings;
- (d) Reports of Officers;
- (e) Report of Board of Trustees;
- (f) Reports of Committees (if any);
- (g) Appointment of Inspectors of Election;
- (h) Election of Members of the Board of Trustees;
- (i) Unfinished Business;
- (j) New Business;
- (k) Adjournment.

The order of business at all other meetings of the Unit Owners shall as far as practical conform to the above order of business insofar as the special purpose or purposes of the meeting will permit.

ARTICLE IV BOARD OF TRUSTEES

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Trustees consisting initially of three (3) members but ultimately by a Board of not less than five (5) members. After the Master Deed shall have been recorded by the Developer, the Board of Trustees of the Association shall consist of such persons as shall be designated by the Developer who shall serve as such subject to the limitations of Section 1 of Article III of these By-Laws. After the Developer shall have relinquished any representation on the Board of Trustees as per said Section 1, Article III hereof, the Board of Trustees shall consist of five (5) persons (or such greater number as may be fixed by the Board of Trustees from time to time), each of whom shall be Owners or spouses of Owners of Units, or in the case of partnership Owners shall be members of employees of such partnership, or in the case of corporate Owners (including the Developer during such time as Developer shall be the Owner of any Units), shall be officers, stockholders or employees of such corporation, or in the case of fiduciary Owners, shall be fiduciaries or officers of such fiduciaries provided that at least one of the members of the Board of Trustees shall be a resident of the State of New Jersey.

Section 2. Powers and Duties. The Board of Trustees shall have the power and duties necessary for the administration of the affairs of the Association and may do all such acts and

things except as, by law or by the Master Deed or by these By-Laws, may not be delegated to the Board of Trustees by Unit Owners. Such powers and duties of the Board of Trustees shall include but shall not be limited to the following:

(a) The operation, care, upkeep and replacement of the Common Elements and services and personal property of the Association, if any, together with the right to use all funds collected by the Association to effectuate the foregoing.

(b) Determination of the Common Expenses required for the affairs and duties of the Association including the establishment of reasonable reserves if required for depreciation, retirement and renewals.

(c) Collection of the Common Expenses and assessments from the Unit Owners together with any costs and expenses of collection thereof.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Property, including the Common Elements and other property which may be owned by the Association.

(e) Adoption and amendment of rules and regulations covering the operation and use of the Property.

(f) Opening of bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchase or arrangement for such services, machinery, tools, supplies and the like as in the opinion of the Board of Trustees may from time to time, be necessary for the proper operation and maintenance of the Property and Common Elements and the facilities and general business of the Association. The Board of Trustees may also employ a manager for the Association at such compensation as it may deem appropriate, to perform such duties as the Board of Trustees may so designate and may lawfully delegate.

(h) Employment of legal counsel, engineers, and accountants and to fix their compensation whenever such services may be deemed necessary by the Board of Trustees.

(i) Maintenance of detailed books of account of the receipts and expenditures of the Association. The aforesaid books of account shall be audited when requested by the Board of Trustees but not less than annually by a certified public accountant and a statement reflecting the financial condition and transactions of the Association shall be furnished to each Unit Owner on an annual basis. The books of account and any supporting vouchers shall be made available for examination by a Unit Owner at convenient hours on working days that shall be established by the Board of Trustees and announced for general knowledge.

(j) Maintenance and adequate fidelity bonds for Association officers, agents and employees handling Association funds and records, at such times and in such amounts as the Board of Trustees may deem necessary. The premiums for such coverages shall be paid by the Association and shall constitute a Common Expense.

(k) Payment of all taxes, assessments, utility charges and like assessed against property of the Association or assessed against any Common Element, exclusive of any taxes or assessments properly levied against any Unit Owner.

(l) Adjust or increase the amount of any monthly installment payment of Common Expenses and to levy and collect

from Unit Owners special assessments in such amounts and payable in such manner as the Board of Trustees may deem necessary to defray and meet increased operating costs, capital expenses or to resolve emergency situations; provided, however, that all such special assessments or increased payment assessments shall be levied against the Unit Owners in the same proportions or percentages as provided in Section 4 of Article VI hereof.

(m) Making repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings. When in the opinion of the Board of Trustees any of the Common Elements require protection, renewal, maintenance or repair, or when enforcement of any of the Association's rules and regulations so require, or when the abatement of any nuisance is required or in any emergency situation, the Board of Trustees will have the right upon notice to enter any Unit for such purpose. Such entry shall, however, be done with as little inconvenience to the Unit Owner thereof as is reasonably possible by the acceptance of a deed conveying each Unit to the Unit Owner; each Unit Owner expressly and irrevocably grants and confirms the rights of entry aforesaid. The Developer will make no additions or improvements which will necessitate a special assessment or a substantial increase in the monthly assessments unless required by a governmental agency having jurisdiction.

(n) Subject to the Master Deed, Declaration of Covenants and Restrictions or other instruments of creation, the Board of Trustees may do all that it is legally entitled to do under the laws applicable to its form of organization.

(o) Discharge its powers in a manner that protects and furthers the health, safety and general welfare of the residents of the Condominium.

(p) Provide a fair and efficient procedure for the resolution of disputes between individual Unit Owners and the Association, and between different Unit Owners, that shall be readily available as an alternative to litigation.

The Board of Trustees shall, prior to the beginning of each fiscal year of the Association, prepare a budget which shall determine the amount of common charges payable by each Unit to meet the Common Expenses of the Association including the aforesaid reserves and to make up for any deficit in the Common Expenses for any prior year. The Board of Trustees shall allocate and assess such charges among the Unit Owners according to and in the percentage of their respective ownership of Common Elements as set forth in the Master Deed. Unit Owners shall be advised of the amount of Common Expenses payable by each of them and these charges shall be paid to the Association in twelve (12) equal monthly installments on the first day of each month of the fiscal year in advance at the office of the Association. A statement of the aforesaid yearly charges shall be mailed to each Unit Owner at the commencement of each fiscal year and no further billing by the Association shall be required.

The initial fiscal year of the Association shall be the period ending twelve (12) months after the date on which the closing of title to the first Unit shall take place.

Despite anything in these By-Laws or elsewhere to the contrary notwithstanding, the Board of Trustees shall not have the authority, except in the case of an extreme emergency, without the consent of the Members holding a majority of votes in the Association to expend in excess of \$10,000.00 on any item of expense in any year which is not specified in, or if specified,

over the amount indicated for such item in the aforesaid budget for such year.

Section 3. Election and Term of Office. At the first annual meeting of the Unit Owners the term of office of two members of the Board of Trustees shall be fixed at three (3) years, the term of office of two members of the Board of Trustees shall be fixed at two (2) years and the term of office of the remaining member of the Board of Trustees shall be fixed at one (1) year. At the expiration of the initial term of office of each respective member of the Board of Trustees his successors shall be elected to serve for a term of three (3) years. The members of the Board of Trustees shall hold office until their respective successors have been elected by the Unit Owners.

Section 4. Removal of Members of the Board of Trustees. Trustees may be removed with or without cause by a two-thirds (2/3) vote of the Members at an annual meeting or a special meeting called for that purpose and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Trustees whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting called for such purpose.

Section 5. Vacancies. Vacancies in the Board of Trustees caused by any reason shall be filled by a vote of a majority of the remaining Trustees at a special meeting of the Board of Trustees held for that purpose promptly after the occurrence of any such vacancy, and each person so elected shall be a member of the Board of Trustees until a successor shall be elected at the next annual meeting of the Unit Owners and the term of the newly elected Director shall be for the balance of the term of the vacated trusteeship. Any Board of Trustees seat vacated by a Unit Owner must be filled by another Unit Owner. When a member of the Board who has been elected by the Unit Owners other than Developer is removed or resigns, the vacancy thus created shall be filled by a Unit Owner other than the Developer.

Section 6. Organizational Meeting. The first meeting of the members of the Board of Trustees shall be held immediately upon adjournment of the first annual meeting of the Members at which they were elected and at the same place and no notice shall be necessary to the newly elected members of the Board of Trustees in order legally to constitute such meeting, providing a majority of the whole Board of Trustees shall be present thereat.

Section 7. Regular Meetings. Regular meetings of the Board of Trustees may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Trustees, but at least two such meetings shall be held during each fiscal year of the Association. Notice of regular meetings of the Board of Trustees shall be given to each member of the Board of Trustees by personal delivery, mail or telegraph at least five (5) business days prior to the day designated for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Trustees may be called by the President of the Association on three (3) business days' notice to each member of the Board of Trustees given by personal delivery, mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Trustees shall be called by the President or Secretary in like manner and on like notice at the written request of at least two (2) members of the Board of Trustees.

Section 9. Waiver of Notice. Any member may at any time waive notice of any meeting of the Board of Trustees in writing, and such waiver shall be deemed equivalent to the giving

of such notice. Attendance by a member of the Board of Trustees at any meeting of the Board of Trustees shall constitute a waiver of notice by him of the time and place thereof. If the members of the Board of Trustees are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum of Board of Trustees. At a meeting of the Board of Trustees a majority of members thereof shall constitute a quorum for the transaction of business and the votes of a majority of the members of the Board present at a meeting at which a quorum is present shall constitute the decision of the Board of Trustees. If at any meeting of the Board of Trustees there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 11. Fidelity Bond. The Board of Trustees in their discretion may obtain adequate fidelity bonds for all officers and employees of the Association handling or responsible for Association. While the Developer maintains a majority of representation on the Board of Trustees, it shall post a fidelity bond or other guarantee acceptable to the Department of Community Affairs of New Jersey, in an amount equal to the annual budget. For the second and succeeding years, the bond or other guarantee shall include accumulated reserves.

Section 12. Compensation. No member of the Board of Trustees shall receive any compensation from the Association for acting as such.

Section 13. Liability of the Board of Trustees. The members of the Board of Trustees shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Trustees against any contractual liability to others arising out of contracts made by the Board of Trustees on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Master Deed or of these By-Laws. It is intended that the members of the Board of Trustees shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Unit Owners arising out of any contract made by the Board of Trustees or out of the aforesaid indemnity in favor of the members of the Board of Trustees shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Trustees on behalf of the Association shall provide that the members of the Board are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements. As to Trustees controlled by the Developer, the above shall not exculpate the Developer's designees from their fiduciary responsibilities.

Section 14. Managing Agent and Manager. The Board of Trustees may employ a managing agent and/or a manager for the Condominium at a compensation established by the Board of Trustees, to perform such duties and services as the Board of Trustees shall authorize. The Board of Trustees may delegate to the managing agent or the manager any of the powers granted to the Board of Trustees by these By-Laws but despite such delegation,

the Board will remain responsible to the Unit Owners for the proper performance of such duties and services.

ARTICLE V
OFFICERS

Section 1. Designation. The principal officers of the Association shall be the President, the Vice-President, the Secretary and Treasurer, all of whom shall be elected by the Board of Trustees. The Board of Trustees may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Trustees.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Trustees at the organizational meeting of each new Board of Trustees and shall hold office at the pleasure of the Board of Trustees.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Trustees, any officer may be removed with or without cause and his successor may be elected at any regular meeting of the Board of Trustees or at any special meeting of the Board of Trustees called for such purpose.

Section 4. President. The President shall be the Chief Executive Officer of the Association. He shall preside at all meetings of the Unit Owners and of the Board of Trustees. He shall have all of the general powers and duties which are incident to the office of President of a corporation organized under New Jersey Law, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate, to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Trustees shall appoint some other member of the Board of Trustees to act in place of the President on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Trustees of the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of Unit Owners and of the Board of Trustees; he shall have charge of such books and papers as the Board of Trustees may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a corporation organized under New Jersey Law. The Secretary shall also perform the duties aforesaid for any committees as the Board of Trustees or the President may so direct.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board of Trustees and he shall generally perform all duties incident to the office of Treasurer of a corporation under New Jersey Law. He shall render to the President and to the Board of Trustees at the regular meetings of the Board of Trustees whenever either the President or the Board of Trustees shall require, a full account of his

transactions as Treasurer and a full account of the financial condition of the Association.

Section 8. Compensation of Officers. No officers shall receive any compensation from the Association for acting as such.

Section 9. Agreements, Contracts, Deeds, Checks, etc.. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Board of Trustees.

Section 10. Indemnification of Officers. Each officer, his heirs, administrators and executors shall be indemnified and held harmless by the Association against any losses, expenses, and counsel fees reasonably incurred in connection with any action or proceeding in which said officer, his heirs, administrators and executors are made a party by reason of such office. Provided, however, that should such officer be adjudged in such action to have been guilty of gross negligence or willful misconduct, the aforesaid indemnity shall not apply. In the event of a settlement, such officer shall be indemnified only as to such matters covered by the settlement which the Association is advised by its counsel is not the result of such gross negligence or willful misconduct of such officer. The aforesaid indemnification is intended to encompass the aforesaid acts of the officers as such to the extent herein provided and is not intended to be operative with respect to any duties, obligations or liabilities assumed by such officers as Unit Owners or Association members.

ARTICLE VI OPERATION OF THE PROPERTY

Section 1. Determination and Establishment of Common Expenses. The Board of Trustees shall from time to time, and at least annually, prepare a budget for the Condominium, determining the amount of Common Expenses payable by the Unit Owners and allocate and assess such Common Expenses among the Unit Owners according to their respective interest in the Common Elements. The Common Expenses shall include, among other things, the cost of insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Trustees pursuant to the provisions of Section 2 of Article VI and the fees and disbursements of the Insurance Trustee, if any. The Common Expense shall also include such amounts as the Board of Trustees may deem proper for the operation and maintenance of the Property, including, but not limited to, an amount for working capital of the Association, for a general operation reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Board of Trustees shall advise all Unit Owners promptly, in writing, of the amount of Common Expenses payable by each of them respectively, as determined by the Board of Trustees, as aforesaid, and shall furnish copies of each budget on which such Common Expenses are based to all Unit Owners. Despite anything to these By-Laws to the contrary, the Board of Trustees shall not have the authority to incur any liability or expend any funds in behalf of the Unit Owners or the Association in respect of capital improvements proposed to be made (whether or not so designated on the books of the Association) in excess of \$10,000.00 in any fiscal year of the Association, without, in each instance, the prior authorization of the Unit Owners by the affirmative vote of two-thirds (2/3) of the vote of the Members cast on the question at a meeting of Unit Owners at which a quorum shall be present.

Section 2. Insurance.

A. The Board of Trustees shall be required to obtain and maintain, to the extent obtainable, the following insurance

upon the Common Elements and upon equipment and personal property owned by the Association. The policies so obtained shall be for the benefit and protection of the Association and the Owners of the Units and their respective Mortgagees as their interests may appear. If agreeable to the insurer, such policies shall include provisions that they be without contribution, that improvements to Units made by Unit Owners shall not affect the valuation of the Property for the purposes of insurance and that the insurer waives its right of subrogation as to any claims against Unit Owners, the Association and their respective employees, servants, agents and guests. The coverage shall be against the hereinafter enumerated perils and contingencies:

(1) Casualty - The Buildings containing Units and all improvements upon the Property and all personal property included therein, except such personal property as may be owned by the Unit Owners shall be insured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation, foundations and other construction components customarily excluded) as determined periodically by the insurance company affording such coverage. Such coverage shall afford protection against:

(a) Loss or damage by fire or other hazards covered in the extended coverage endorsements; and

(b) Such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use as the Buildings containing Units, including but not limited to vandalism, malicious mischief, windstorm and water damage.

(2) Comprehensive public liability and property damage in such amount and in such forms, as shall be required by the Association, including but not limiting the same to water damage, legal liability, hired automobiles, non-owned automobiles and off-premises employee coverages.

(3) Workmen's Compensation coverage to meet the requirements of law.

All liability insurance shall contain cross-liability endorsements to cover liabilities of the Association and the Unit Owners, as a group, to an individual Owner.

Each Unit Owner shall have the right to obtain insurance at his own expense, affording coverage upon his personal property, including betterments and improvements, and for his personal liability and as may be required by law, but all such insurance shall contain the same waiver of subrogation as that referred to hereinabove (if same is available).

B. All insurance policies maintained by the Association shall be for the benefit of the Association and the Unit Owners, and their Mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association. The Association shall hold such proceeds for the benefit of the Association, the Unit Owners, and their respective mortgagees in the following manner:

(1) Common Elements - Proceeds on account of damages to Common Elements shall be held by the Association according to the respective percentage interest in Common Elements of the Unit Owner, and their Mortgagees, if any, to be used for repair, reconstruction or distribution as hereinafter set forth.

(2) Units - Proceeds on account of Units shall be held in the following undivided shares:

(a) Partial destruction when the Building containing Units is to be restored (or total destruction when a determination is made as hereinafter provided, to restore the Building containing Units) for the Owners of damaged Units in proportion of the costs of repairing the damage suffered by each damaged Unit.

(b) Total destruction of the Building containing Units when the Building containing Units is not to be restored (or partial destruction when a determination is made, as hereinafter provided, not to restore the Building containing units) for all Unit Owners, the share of each being that proportion which his percentage interest in Common Elements bears to the total of all percentage interests of Common Elements of Units in such Building.

In the event a Mortgagee endorsement has been issued as to a Unit, the share of the Unit Owner shall be held for the Mortgagee and the Unit Owner, as their interests may appear, but this shall not be construed so as to give any Mortgagee the right to determine or participate in the determination of reconstruction or repair.

C. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the Unit Owners having an interest therein, after paying or making provision for payment of the expenses of the Association in obtaining the proceeds in the following manner:

(1) Reconstruction or Repair - If the damaged property for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof, as provided by the Master Deed, the proceeds to be applied first to the costs of repairing the Common Elements and the balance, to the Unit(s) sustaining damage. Any proceeds remaining after defraying such costs shall be distributed by the Association to the particular Unit Owners for whose benefit the proceeds theretofore applied, all remittances to such Unit Owners and their Mortgagees being payable jointly to them.

(2) Failure to Reconstruct or Repair - If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, then the Master Deed shall be terminated and the proceeds shall be distributed to all of the Unit Owners according to their percentage interests in Common Elements, remittances to the Owners and their Mortgagees being payable by the Association jointly to them.

Section 3. Damage by Fire or Other Casualty - Reconstruction. A. If all or any part of the Common Elements shall be damaged by casualty, the same shall be reconstructed or repaired, unless at a meeting of the members of the Association to be called prior to the commencement of such reconstruction or repair, 75% of the Unit Owners vote against such reconstruction or repair, the effect of which shall be to terminate the Master Deed and distribute the assets of the Association in accordance with law. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications. Despite the destruction of a Unit and the resulting inability to occupy same, the Owner of that Unit will remain liable for assessments for Common Expenses until such time as the Master Deed is terminated as aforesaid; in the event of the reconstruction of his Unit, liability for assessments will continue. Liability for real estate taxes will continue after termination of the Master Deed with the former Unit Owner thence forward being responsible for his pro-rata share of the taxes assessed against the entire

Property as an owner by tenancy in common with all other former Unit Owners thereof.

B. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis of a proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with either the plans and specifications therefor or original construction of the Building containing Units. Such encroachments shall be allowed to continue to existence for so long as the Building containing Units stands.

C. If the damage is only to those parts of one Unit for which the responsibilities of maintenance and repair are those of the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association, which shall obtain estimates of the costs of repair and shall, to the extent that the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, assess all the Unit Owners in accordance with their percentage interest in Common Elements for such additional funds as may be required to complete the reconstruction and repair.

D. The funds for payment of costs of reconstruction and repair after casualty which shall consist of proceeds of insurance held by the Association and funds collected by the Association from assessments against Unit Owners, shall constitute an account to be known as a Reconstruction and Repair Account, which shall be disbursed in payment of such costs in the following manner:

(1) To Unit Owner - The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the Unit Owner; to such contractors, suppliers and personnel as do the work or supply the materials and services required for such reconstruction or repair, in such amounts and at such times as the Unit Owner may direct, or if there is a mortgage endorsement, then to such payee as the Unit Owner and the Mortgagee jointly direct. This shall not be construed so as to limit or modify the responsibility of the Unit Owner to make such reconstruction or repair.

(2) To Association in Event of Lesser Damage - If the amount of the estimated costs of reconstruction and repair is less than the total of the annual assessments for Common Expenses made during the year in which the casualty occurred, then the Reconstruction and Repair Account shall be disbursed in payment of such costs upon the order of the Association; provided, however, that upon request of a Mortgagee who is a beneficiary of an insurance policy, the proceeds of which are included in the Reconstruction and Repair Account, such Account shall be disbursed in the manner hereinafter provided for the reconstruction and repair of major damage.

(3) To Association in Event of Major Damage - If the amount of the estimated costs of reconstruction and repair of the Building containing Units or other improvements are more than the total of the annual assessments for Common Expenses made during the year in which the casualty occurred, then the Reconstruction and Repair Account shall be disbursed in payment of such costs in the manner required by the Board of Trustees of the Association and upon approval of an architect qualified to practice in the State of New Jersey and employed by the Association to supervise the work.

(4) Distribution of Surplus - It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds; if there is a balance in the Reconstruction and Repair Account after payment of all costs of reconstruction and repair for which the Account is established, and after distribution of any remaining insurance proceeds as set forth above, such balance shall be distributed to all of the Unit Owners whose interests are reflected in such Account by reason of their having contributed thereto by way of payment of assessments therefor.

Section 4. Payment of Common Expenses.

A. All Members shall be obligated to pay the Common Expenses assessed by the Board of Trustees pursuant to the provisions of Section 1 of Article VI of these By-Laws, which payment shall be assessed on an annual basis but may be paid in equal monthly installments on the first day of each month to the Association at the principal office of the Association, or at such other places or times as may be designated by the Board of Trustees. Each Member of the Association, other than the Developer, shall in addition, be required to maintain with the Association a sum equal to three-twelfths of the estimated annual assessment for his Unit as non-interest bearing security against non-payment of future assessments. Unit Owners may be required to supplement said security from time to time by future payments in the event that the estimated annual assessment for future years is increased, or if the amount theretofore paid has been applied in whole or in part for payment of Common Expenses of that Owner. The Developer shall not be required to make any such prepayment or security deposits.

B. The pro-rata contribution of each Member toward the Common Expenses which a Member shall be obligated to pay shall be based upon the percentage or share of the member's interest in the Common Elements as the same is set forth in the Master Deed. No abandonment of the Units owned by a Member or a waiver of the use and enjoyment of any of the Common Elements or Limited Common Elements (as applicable) shall exempt or excuse any Member from his contribution toward the Common Expenses aforesaid.

Section 5. Payment of Special Assessments. Special assessments, when levied by the Board of Trustees, pursuant to these By-Laws, shall be paid by the members in such manner as may be determined by the Board of Trustees; provided, however, that the pro-rata contribution of each Member for such special assessment shall be in accordance with Section 4 of this Article.

Section 6. Default in Payment of Common Expenses and Assessments. All Common Expenses and assessments chargeable to and payable by a Member for his Unit shall constitute a lien against said Unit in favor of the Association. Such lien will be established by the filing of notice of the lien with the office of the Middlesex County Clerk. The aforesaid lien shall be prior to all other liens except:

(a) any similar liens by the Association for prior charges and assessments;

(b) assessments, liens and charges for unpaid taxes due on said Unit;

(c) permitted mortgages of record upon such Unit.

The lien aforesaid may be foreclosed in the same manner as real estate mortgages, and in the event of such foreclosure, the Association shall, in addition to the amount due, be entitled to recover interest at the legal rate on such sum or sums due, together with the reasonable expenses of such action, including

costs and attorney's fees. A suit by the Association against the delinquent Member to recover a money judgment for the unpaid Common Expenses and assessments shall be maintainable without foreclosing or waiving the lien securing the same. Both the foregoing actions shall be maintainable upon the expiration of thirty (30) days after any Common Expense or assessment shall be due and payable. Failure to pay any installment of any of the Common Expenses and assessments when due, shall, at the option of the Board of Trustees, render the entire annual amount due and payable, as if no installment payment provisions were operative.

Section 7. Maintenance and Repair.

A. All maintenance, repairs and replacements to the Common Elements, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner, his tenants, agents, guests, licensees or servants, in which cases such expense shall be charged to such Unit Owner), and regardless of whether there is special benefit thereby to particular Unit Owners, shall be made by the Association and be charged to all Members as a Common Expense.

B. All maintenance of any repairs to such portion of any Unit which does not comprise a part of the Common Elements, or any part or parts thereof belonging in whole or in part to other Members, shall be made promptly and carefully by the Member or Members owning such Units at their own risk, cost and expense. Each Member shall be liable for any damages, liabilities, costs or expenses, including attorney's fees, caused by or arising out of his failure to promptly and/or carefully perform any such maintenance and repair work.

Section 8. Patios and Storage/Utility Enclosures. Any patio and storage/utility enclosure associated with a Unit and to which a Unit has sole access shall be a Limited Common Element and shall be for the exclusive use of the Unit Owner of such Unit. Any such patio or enclosure shall be kept free and clean of snow, ice and any accumulation of water by the Unit Owner of such Unit who shall also make all ordinary, usual and non-structural repairs thereto and perform the normal, general maintenance thereof. Structural repairs not occasioned by the negligence or misuse of such Limited Common Element by the associated Unit Owner shall be made by the Association as a Common Expense.

Section 9. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the value of the Units, the use of the Property (including the Association property) shall be restricted to and shall be in accordance with the following provisions:

(a) The Units shall be used as residences only.

(b) The Common Elements as well as the property and facilities of the Association shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units and parking areas.

(c) No nuisance shall be maintained by any Unit Owner, nor shall any use or practice be allowed by any Owner which is a source of annoyance to, or which interferes with the peaceful possession or proper use of, the Units or Common Elements by Unit Owners.

(d) No more than two (2) household pets (limited to dogs and cats) shall be allowed per Unit.

(e) No immoral, improper, offensive or unlawful use shall be made of any Unit or part thereof, or of any of the Common

Elements, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof shall be complied with, by and at the sole expense of the Unit Owners of the Association, whichever shall have the obligation to maintain or repair such portion.

(f) No portion of any Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein. Transient tenants shall be deemed as being any tenants for less than a term of one (1) year.

Section 10. Additions, Alterations or Modifications. No Member shall make any structural additions, alterations or improvements in or to his Unit (or elsewhere on the Property) without prior written consent thereto of the Board of Trustees or impair any easement without the written consent of the Board of Trustees or of the Unit Owner(s) for whose benefit such easement exists. The provisions of this Section shall not apply to Units owned by the Developer until such Units shall have been initially sold by the Developer and paid for. Nothing herein shall be construed to prohibit the reasonable adaptation of any Unit for use by handicapped persons.

Section 11. Use of Common Elements.

(a) A Unit Owner shall not place or cause to be placed in the Common Elements, other than a patio to which such Unit Owner has sole access, and other than the areas designated as storage areas, any furniture, packages or object of any kind. Developer shall have no liability or responsibility to a Unit Owner for loss or damage sustained by any property of a Unit Owner left in such storage area except for Developer's willful misconduct.

(b) Unit Owners shall require their tradesmen to utilize exclusively the areas (if applicable) designated by the Association for transporting or delivering packages, merchandise or any other objects which may affect the comfort or well-being of the Unit Owners, residents and guests.

Section 12. Right of Access. A Unit Owner shall grant a right of access to his Unit to the Association or any person authorized by the Association for the purpose of making inspections, or for the purpose of correcting any condition originating in his Unit and threatening any Unit or Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Property, or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

Section 13. Additions, Alterations or Improvements by Association. The Association shall have the right to make or cause to be made such alterations and improvements to the Common Elements (which do not adversely prejudice the right of any Unit Owner unless his written consent has been obtained) providing the making of such alterations and improvements is first authorized by the Board of Trustees of the Association and approved by not less than two-thirds (2/3) of the Members. The costs of such alterations and improvements shall be assessed as Common Expenses, unless in the judgment of not less than two-thirds (2/3) of the Board of Trustees, the same are exclusively or substantially exclusively for the benefit of the Unit Owners requesting the same

in which case such requesting Owners shall be assessed therefor in such proportion as they approve jointly and failing such approval, in such proportions as may be determined by the Board of Trustees.

Section 14. Rules of Conduct. Rules and regulations concerning the use of Units and the Common Elements may be promulgated and amended by the Association with the approval of a majority of the Unit Owners. Copies of such rules and regulations shall be furnished by the Association to each Unit Owner.

Section 15. Treatment of Surplus. In the event the Association shall have a surplus at the end of any fiscal year as established herein and after the establishment of reasonable reserve items, the Board of Trustees of the Association shall allocate the surplus among the Units in accordance with the percentage of each Unit's respective ownership of the Common Elements as set forth in the Master Deed, and shall apply said percentage allocation in reduction of the Common Expense charge for the ensuing year or years in the manner set forth in Section 1 of this Article.

ARTICLE VII DISPOSITION OF UNITS

Section 1. Sale, Lease or Other Disposition of Units. Except as provided in the Affordable Housing Agreement portion of the Affordable Housing Ordinance of South Brunswick Township for the rental of an Affordable Unit in the Condominium, each Unit Owner shall have the right to sell or lease his Unit to whomever he shall so desire. However, should any Unit Owner, other than Developer, wish to rent or lease his Unit, he shall only do so upon a lease of the entire Unit for at least a one (1) year term.

The Board of Trustees shall have the right to require that a uniform form of lease be used.

The foregoing provisions in respect of leasing or renting shall in no way be construed as affecting the rights of a Mortgagee in possession and the provisions hereof shall not be applicable to purchasers at foreclosure or other judicial sales of permitted mortgages, to transfers to permitted Mortgagees, or to the Developer.

The provisions set forth above shall not be applicable to the Developer and the Developer is irrevocably authorized, permitted and empowered to lease or rent Units to any lessees approved by it. Developer shall have the right to transact any business on the Property necessary to consummate the sale or rentals of Units, including, but not limited to, the right to maintain models, have signs identifying the Property and advertising the sale or rental of Units, maintaining employees in the offices, and to show Units for sale or lease.

Under no circumstances may the provisions hereof be used to foster discrimination or to deny the purchase of any Unit on account of a person's race, religion, creed, place of national origin, sex or marital status.

Section 2. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he shall have paid in full to the Association all unpaid Common Expenses theretofore assessed by the Association against his Unit, and until he shall have satisfied all unpaid liens against such Unit. The acquiror of a Unit shall thereafter be liable for payment of any such charges to the Association, without prejudice to the right of acquiror to recourse against the transferor for the amount paid by such

acquiror. A permitted Mortgagee who acquires title to a mortgaged Unit or a purchaser at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for Common Expenses assessed prior to the acquisition of title by such Mortgagee or purchaser at a foreclosure sale. In the event of a foreclosure by the Association of a statutory lien on any Unit for unpaid Common Expenses and in the event the proceeds of the foreclosure sale shall not be sufficient for the payment of such unpaid Common Expenses, the unpaid balance shall be charged to all Unit Owners, including the acquiror, as a Common Expense. The Association shall furnish a statement of amounts due it upon request from any acquiror, and the Association shall be limited in its recovery to the amounts set forth therein.

Section 3. Mortgage of a Unit. Each Owner is entitled to mortgage his Unit provided that any such mortgage is made to a bank, trust company, insurance company, savings and loan association, pension fund or other recognized or institutional lender, or a purchase money mortgage made to the Developer (or Seller) of a Unit.

ARTICLE VIII RECORDS

Section 1. Records. The Board of Trustees shall keep detailed records of its actions, minutes of the meetings of the Board of Trustees, minutes of the meetings of the Unit Owners and financial records and books of account of the Association, including a chronological listing of receipts and expenditures as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Expenses against such Units, the date when due, the amounts paid thereon and the balance remaining unpaid. An annual report of the receipts and expenditures of the Association certified by an independent certified public accountant shall be rendered by the Board of Trustees to all Unit Owners and to all Mortgagees of Units who have requested the same, promptly after the end of each fiscal year.

Section 2. Audit. While the Developer maintains a majority of the Board of Trustees, it shall have an annual audit of Association funds prepared by an independent accountant, a copy of which shall be delivered to each Unit Owner within 90 days of the expiration of the fiscal year of the Association. The audit shall cover the operating budget and reserve accounts.

ARTICLE IX DISSOLUTION

Section 1. Procedure. The provisions of the then applicable laws of the State of New Jersey, including the provisions of the Condominium Act, shall be followed should it be deemed advisable that the Association be dissolved, subject to the rights of any Mortgagee or lienor with respect thereto.

Section 2. Ownership Upon Dissolution. In the event of dissolution, the Property shall thereupon be owned by all of the Unit Owners as tenants in common, each having an undivided percentage interest therein equal to his proportionate share of the Common Elements owned prior to termination. Each Unit Owner may be required to execute such deed and any other document or instrument which may be required to effect the sale of the Property by the Association following a decision to dissolve the Association.

ARTICLE X
COMPLIANCE WITH BY-LAWS AND MASTER DEED

Section 1. Penalties. The within By-Laws, the rules and regulations adopted pursuant thereto, all future amendments hereof and thereof, and the covenants and restrictions in the Master Deed shall be strictly complied with by each Unit Owner. Failure to comply with any of the same shall entitle the Association to bring suit to recover monies due or for damages and/or injunctive relief or both against the offending Unit Owner. If suit has been instituted by the Association and the Unit Owner has been found by the Court to have committed the violation complained of, the Unit Owner shall reimburse the Association for reasonable attorney's fees and such other costs as shall be established by the Court. Nothing herein shall be deemed to preclude any Unit Owner from bringing an action for relief against another Unit Owner or Unit Owners for a violation which affects such aggrieved Unit Owner's occupancy.

ARTICLE XI
MISCELLANEOUS

Section 1. Notices. All notices herein shall be sent by registered or certified mail to the Association, care of the Secretary, at the office of the Association, or to such other address as the Board of Trustees may hereafter designate from time to time in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the address designated as his Unit, or to such other address as may have been designated by such Unit Owner from time to time in writing to the Association. All notices to Mortgagees of Units shall be sent by registered or certified mail to their respective addresses as designated by them from time to time in writing to the Association. All notices shall be deemed to have been given when mailed except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity or enforceability or effect of the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience or reference and in no way define, limit or describe the scope of the By-Laws or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Waiver. No restrictions, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XII
AMENDMENTS TO BY-LAWS

Section 1. Amendments to By-Laws. Except as hereinafter provided otherwise, these By-Laws may be modified or amended by the affirmative vote of at least 75% of all votes of Unit Owners (whether or not present) at a meeting of Unit Owners duly held for such purpose. Modifications and amendments shall be recorded with the office of the Clerk of Middlesex County in order for the same to be valid and operative. While the Developer shall still have any interest in the Units, the Board of Trustees shall

take no action detrimental to said interest. The Developer shall not be permitted to cast any votes held by it for unsold lots, parcels, Units or interests for the purpose of amending the Master Deed, By-Laws or any other document for the purpose of changing the permitted use of a lot, parcel, Unit or interest, or for the purpose of reducing the Common Elements.

ARTICLE XIII
CONFLICTS

Section 1. Conflicts. In case any of these By-Laws conflict with the provisions of the Master Deed or the Condominium Act, the provisions of said Master Deed or the Condominium Act as the case may be, shall control.

EXHIBIT "E"

UNIT DESIGNATIONS, TYPES AND LOCATIONS
AND PERCENTAGES OF INTEREST IN COMMON ELEMENTS

ADDRESS	UNIT TYPE/MODEL/BUILDING	% INTEREST IN COMMON ELEMENTS
1 - Carrie Court	Townhouse-D End/1	.476
2 - Carrie Court	Townhouse-D/1	.476
3 - Carrie Court	Townhouse-B /1	.476
4 - Carrie Court	Townhouse-B /1	.476
5 - Carrie Court	Townhouse-C/1	.476
6 - Carrie Court	Townhouse-B /1	.476
7 - Carrie Court	Townhouse-D /1	.476
8 - Carrie Court	Townhouse-D End/1	.476
9 - Carrie Court	Townhouse-D End/2	.476
10 - Carrie Court	Townhouse-B/2	.476
**11 - Carrie Court	Townhouse-AM/2	.179
**12 - Carrie Court	Townhouse-AM/2	.179
13 - Carrie Court	Townhouse-B/2	.476
14 - Carrie Court	Townhouse-D End/2	.476
1 - Rachel Court	Townhouse-D End/3	.476
2 - Rachel Court	Townhouse-C/3	.476
3 - Rachel Court	Townhouse-B/3	.476
** 4 - Rachel Court	Townhouse-AM/3	.179
** 5 - Rachel Court	Townhouse-AM/3	.179
6 - Rachel Court	Townhouse-B/3	.476
7 - Rachel Court	Townhouse-C/3	.476
8 - Rachel Court	Townhouse-D End/3	.476
9 - Rachel Court	Townhouse-D End/4	.476
10 - Rachel Court	Townhouse-D/4	.476
11 - Rachel Court	Townhouse-B/4	.476
12 - Rachel Court	Townhouse-B/4	.476
13 - Rachel Court	Townhouse-C/4	.476
14 - Rachel Court	Townhouse-B/4	.476
15 - Rachel Court	Townhouse-D/4	.476
16 - Rachel Court	Townhouse-D-End/4	.476
17 - Keith Court	Townhouse-D End/5	.476
18 - Keith Court	Townhouse-B/5	.476
**19 - Keith Court	Townhouse-AM/5	.179
**20 - Keith Court	Townhouse-AM/5	.179
21 - Keith Court	Townhouse-B/5	.476
22 - Keith Court	Townhouse-D End/5	.476
23 - Keith Court	Townhouse-D End/6	.476
24 - Keith Court	Townhouse-D/6	.476
25 - Keith Court	Townhouse-C/6	.476
26 - Keith Court	Townhouse-B/6	.476
27 - Keith Court	Townhouse-B/6	.476
28 - Keith Court	Townhouse-C/6	.476
29 - Keith Court	Townhouse-D/6	.476
30 - Keith Court	Townhouse-D End/6	.476

* This is a Unit reserved by Ordinance for a person of so-called "low" income as defined by South Brunswick Township.

** This is a Unit reserved by Ordinance for a person of so-called "moderate" income as defined by South Brunswick Township

ADDRESS	UNIT TYPE/MODEL/BUILDING	% INTEREST IN COMMON ELEMENTS
---------	--------------------------	----------------------------------

31 -	Keith Court	Townhouse-D End/7	.476
32 -	Keith Court	Townhouse-D/7	.476
33 -	Keith Court	Townhouse-B/7/7	.476
** 34	Keith Court	Townhouse-AM/7	.179
** 35	Keith Court	Townhouse-AM/7	.179
36 -	Keith Court	Townhouse-B/7	.476
37 -	Keith Court	Townhouse-D/7	.476
38	Keith Court	Townhouse-D End/7	.476
62 -	Lynnette Court	Townhouse-D End/8	.476
63 -	Lynnette Court	Townhouse-B/8	.476
64 -	Lynnette Court	Townhouse-C/8	.476
* 65	Lynnette Court	Townhouse-AL/8	.089
* 66	Lynnette Court	Townhouse-AL/8	.089
67 -	Lynnette Court	Townhouse-C/8	.476
68 -	Lynnette Court	Townhouse-B/8	.476
69 -	Lynnette Court	Townhouse-D End/8	.476
70 -	Lynnette Court	Townhouse-D End/9	.476
71 -	Lynnette Court	Townhouse-D/9	.476
72 -	Lynnette Court	Townhouse-B/9	.476
* 73	Lynnette Court	Townhouse-AL/9	.089
** 74	Lynnette Court	Townhouse-AM/9	.179
75 -	Lynnette Court	Townhouse-B/9	.476
76 -	Lynnette Court	Townhouse-D/9	.476
77 -	Lynnette Court	Townhouse-D End/9	.476
78 -	Lynnette Court	Townhouse-D End/10	.476
79 -	Lynnette Court	Townhouse-D/10	.476
80 -	Lynnette Court	Townhouse-C/10	.476
* 81	Lynnette Court	Townhouse-AL/10	.089
* 82	Lynnette Court	Townhouse-AL/10	.089
83 -	Lynnette Court	Townhouse-C/10	.476
84 -	Lynnette Court	Townhouse D/10	.476
85 -	Lynnette Court	Townhouse D End/10	.476
153 -	Susan Court	Townhouse-D End/11	.476
* 154	Susan Court	Townhouse-AL/11	.089
* 155	Susan Court	Townhouse-AL/11	.089
156 -	Susan Court	Townhouse-D End/11	.476
157 -	Susan Court	Townhouse-D End/12	.476
158 -	Susan Court	Townhouse-B/12	.476
* 159	Susan Court	Townhouse-AL/12	.089
* 160	Susan Court	Townhouse-AL/12	.089
* 161	Susan Court	Townhouse-AL/12	.089
* 162	Susan Court	Townhouse-AL/12	.089
163 -	Susan Court	Townhouse-B/12	.476
164 -	Susan Court	Townhouse-D End/12	.476

* This is a Unit reserved by Ordinance for a person of so-called "low" income as defined by South Brunswick Township.

** This is a Unit reserved by Ordinance for a person of so-called "moderate" income as defined by South Brunswick Township.

ADDRESS	UNIT TYPE/MODEL/BUILDING	% INTEREST IN COMMON ELEMENTS
17 - Colleen Court	Townhouse-D End/13	.476
18 - Colleen Court	Townhouse-D/13	.476
19 - Colleen Court	Townhouse-B/13	.476
20 - Colleen Court	Townhouse-C/13	.476
21 - Colleen Court	Townhouse-C/13	.476
22 - Colleen Court	Townhouse-B/13	.476
23 - Colleen Court	Townhouse-D/13	.476
24 - Colleen Court	Townhouse-D End/13	.476
25 - Colleen Court	Townhouse-D End/14	.476
26 - Colleen Court	Townhouse-D/14	.476
27 - Colleen Court	Townhouse-B/14	.476
28 - Colleen Court	Townhouse-C/14	.476
29 - Colleen Court	Townhouse-C/14	.476
30 - Colleen Court	Townhouse-B/14	.476
31 - Colleen Court	Townhouse-D/14	.476
32 - Colleen Court	Townhouse-D End/14	.476
33 - Colleen Court	Townhouse-D End/15	.476
34 - Colleen Court	Townhouse-B/15	.476
35 - Colleen Court	Townhouse-C/15	.476
**36 Colleen Court	Townhouse-AM/15	.179
**37 Colleen Court	Townhouse-AM/15	.179
38 - Colleen Court	Townhouse-C/15	.476
39 - Colleen Court	Townhouse-B/15	.476
40 - Colleen Court	Townhouse-D End/15	.476
41 - Colleen Court	Townhouse-D End/16	.476
42 - Colleen Court	Townhouse-B/16	.476
43 - Colleen Court	Townhouse-C/16	.476
**44 Colleen Court	Townhouse-AM/16	.179
**45 Colleen Court	Townhouse-AM/16	.179
46 - Colleen Court	Townhouse-C/16	.476
47 - Colleen Court	Townhouse-B/16	.476
48 - Colleen Court	Townhouse-D End/16	.476
49 - Colleen Court	Townhouse-D End/17	.476
50 - Colleen Court	Townhouse-B/17	.476
51 - Colleen Court	Townhouse-C/17	.476
**52 Colleen Court	Townhouse-AM/17	.179
**53 Colleen Court	Townhouse-AM/17	.179
54 - Colleen Court	Townhouse-C/17	.476
55 - Colleen Court	Townhouse-B/17	.476
56 - Colleen Court	Townhouse-D End/17	.476
57 - Colleen Court	Townhouse-D End/18	.476
58 - Colleen Court	Townhouse-B/18	.476
59 - Colleen Court	Townhouse-C/18	.476
**60 Colleen Court	Townhouse-AM/18	.179
**61 Colleen Court	Townhouse-AM/18	.179
62 - Colleen Court	Townhouse-C/18	.476
63 - Colleen Court	Townhouse-B/18	.476
64 - Colleen Court	Townhouse-D End/18	.476
66 - Maria Court	Townhouse-D End/19	.476
67 - Maria Court	Townhouse-D/19	.476
**68 Maria Court	Townhouse-AM/19	.179
**69 Maria Court	Townhouse-AM/19	.179
70 - Maria Court	Townhouse-C/19	.476
71 - Maria Court	Townhouse-D/19	.476
72 - Maria Court	Townhouse-D End/19	.476

* This is a Unit reserved by Ordinance for a person of so-called
"low" income as defined by South Brunswick Township.

** This is a Unit reserved by Ordinance for a person of so-called
"moderate" income as defined by South Brunswick Township.

ADDRESS	UNIT TYPE/MODEL/BUILDING	%INTEREST IN COMMON ELEMENTS
---------	--------------------------	---------------------------------

73 - Maria Court	Townhouse-D End/20	.476
74 - Maria Court	Townhouse-B/20	.476
75 - Maria Court	Townhouse-C/20	.476
**76 Maria Court	Townhouse-AM/20	.179
**77 Maria Court	Townhouse-AM/20	.179
78 Maria Court	Townhouse-C/20	.476
79 - Maria Court	Townhouse-B/20	.476
80 - Maria Court	Townhouse-D End/20	.476
81 - Maria Court	Townhouse-D End/21	.476
82 - Maria Court	Townhouse-B/21	.476
83 - Maria Court	Townhouse-C/21	.476
**84 Maria Court	Townhouse-AM/21	.179
**85 Maria Court	Townhouse-AM/21	.179
86 - Maria Court	Townhouse-C/21	.476
87 - Maria Court	Townhouse-B/21	.476
88 - Maria Court	Townhouse-D End/21	.476
89 - Maria Court	Townhouse-D End/22	.476
90 - Maria Court	Townhouse-D/22	.476
91 - Maria Court	Townhouse-B/22	.476
* 92 Maria Court	Townhouse-AL/22	.089
* 93 Maria Court	Townhouse-AL/22	.089
94 - Maria Court	Townhouse-B/22	.476
95 - Maria Court	Townhouse-D/22	.476
96 - Maria Court	Townhouse-D End/22	.476
97 - Maria Court	Townhouse-D End/23	.476
98 - Maria Court	Townhouse-B/23	.476
99 - Maria Court	Townhouse-C/23	.476
*100 Maria Court	Townhouse-AL/23	.089
*101 Maria Court	Townhouse-AL/23	.089
102- Maria Court	Townhouse-C/23	.476
103- Maria Court	Townhouse-B/23	.476
104- Maria Court	Townhouse-D End/23	.476
39 - Curtis Court	Townhouse-D End/24	.476
40 - Curtis Court	Townhouse-C/24	.476
41 - Curtis Court	Townhouse-C/24	.476
42 - Curtis Court	Townhouse-B/24	.476
43 - Curtis Court	Townhouse-C/24	.476
44 - Curtis Court	Townhouse-B/24	.476
45 - Curtis Court	Townhouse-B/24	.476
46 - Curtis Court	Townhouse-D End/24	.476
47 - Curtis Court	Townhouse-D End/25	.476
48 - Curtis Court	Townhouse-C/25	.476
49 - Curtis Court	Townhouse-B/25	.476
**50 Curtis Court	Townhouse-AM/25	.179
**51 Curtis Court	Townhouse-AM/25	.179

* This is a Unit reserved by Ordinance for a person of so-called
"low income as defined by South Brunswick Township.

** This is a Unit reserved by Ordinance for a person of so-called
"moderate" income as defined by South Brunswick Township.

ADDRESS	UNIT TYPE/MODEL/BUILDING	% INTEREST IN COMMON ELEMENTS
52 - Curtis Court	Townhouse B/25	.476
53 - Curtis Court	Townhouse-C/25	.476
54 - Curtis Court	Townhouse-D End/25	.476
55 - Curtis Court	Townhouse-D End/26	.476
56 - Curtis Court	Townhouse-/B or C/26	.476
*57 Curtis Court	Townhouse-AL/26	.089
*58 Curtis Court	Townhouse-AL/26	.089
59 - Curtis Court	Townhouse-B/26	.476
60 - Curtis Court	Townhouse-C/26	.476
61 - Curtis Court	Townhouse-D End/26	.476
137 - Bret Court	Townhouse-D End/27	.476
138 - Bret Court	Townhouse-B/27	.476
139 - Bret Court	Townhouse-B/27	.476
140 - Bret Court	Townhouse-C/27	.476
141 - Bret Court	Townhouse-C/27	.476
142 - Bret Court	Townhouse-B/27	.476
143 - Bret Court	Townhouse-B/27	.476
144 - Bret Court	Townhouse-D End/27	.476
145 - Bret Court	Townhouse-D End/28	.476
146 - Bret Court	Townhouse-B/28	.476
147 - Bret Court	Townhouse-C/28	.476
*148 - Bret Court	Townhouse-AL/28	.089
*149 - Bret Court	Townhouse-AL/28	.089
150 - Bret Court	Townhouse-C/28	.476
151 - Bret Court	Townhouse-B/28	.476
152 - Bret Court	Townhouse-D End/28	.476
105 - Daniel Court	Townhouse-D End/29	.476
106 - Daniel Court	Townhouse-B/29	.476
107 - Daniel Court	Townhouse-C/29	.476
*108 - Daniel Court	Townhouse-AL/29	.089
*109 - Daniel Court	Townhouse-AL/29	.089
110 - Daniel Court	Townhouse-C/29	.476
111 - Daniel Court	Townhouse-B/29	.476
112 - Daniel Court	Townhouse-D End/29	.476
113 - Daniel Court	Townhouse-D End/30	.476
114 - Daniel Court	Townhouse-C/30	.476
115 - Daniel Court	Townhouse-B/30	.476
*116 - Daniel Court	Townhouse-AL/30	.089
*117 - Daniel Court	Townhouse-AL/30	.089
118 - Daniel Court	Townhouse-B/30	.476
119 - Daniel Court	Townhouse-C/30	.476
120 - Daniel Court	Townhouse-D End/30	.476
121 - Daniel Court	Townhouse-D End/31	.476
122 - Daniel Court	Townhouse-D/31	.476
123 - Daniel Court	Townhouse-B/31	.476
*124 - Daniel Court	Townhouse-AL/31	.089
*125 - Daniel Court	Townhouse-AL/31	.089
126 - Daniel Court	Townhouse-B/31	.476
127 - Daniel Court	Townhouse-D/31	.476
128 - Daniel Court	Townhouse-D End/31	.476

* This is a Unit reserved by Ordinance for a person of so-called
"low" income as defined by South Brunswick Township.
** This is a Unit reserved by Ordinance for a person of so-called
"Moderate" income as defined by South Brunswick

ADDRESS	UNIT TYPE/MODEL/BUILDING	% INTEREST IN COMMON ELEMENTS
---------	--------------------------	----------------------------------

129 - Daniel Court	Townhouse-D End/32	.476
130 - Daniel Court	Townhouse-D/32	.476
131 - Daniel Court	Townhouse-C/32	.476
132 - Daniel Court	Townhouse-B/32	.476
133 - Daniel Court	Townhouse-C/32	.476
134 - Daniel Court	Townhouse-C/32	.476
135 - Daniel Court	Townhouse-D/32	.476
136 - Daniel Court	Townhouse-D End/32	.476

RECORDED MIDDLESEX CTY

82 APR 27 AM 1:01
BOOK 3777 PAGE 151
Kurtis J. Deane
HUTCHINSON COUNTY CLERK

005758



8. PRIOR ROUND: SUMMERFIELD

CLARENCE H. FLYNN
MIDDLESEX COUNTY CLERK

98 JUL -8 AM 9:26

BOOK # 4514
PAGE # 1
OF PAGES 20

PREPARED BY:

GARY S. FORSHNER, ESQUIRE
LAW OFFICES OF ALAN B. ZUBLATT
Princeton Executive Campus
4301 Route 1, Suite 210
P.O. Box 510
Monmouth Junction, NJ 08852
(609) 951-0600

RETURN TO →

SECOND AMENDMENT TO MASTER DEED
FOR
THE VILLAGES AT SUMMERFIELD,
A CONDOMINIUM

THIS SECOND AMENDMENT TO THE MASTER DEED FOR THE VILLAGES AT SUMMERFIELD, A CONDOMINIUM ("Second Amendment"), made and executed this 10th day of JUNE, 1998 by SHARBELL SOUTH BRUNSWICK, INC., a corporation of the State of New Jersey having its principal office at 4605 Nottingham Way, Hamilton Square, New Jersey 08690 ("Sponsor").

WITNESSETH:

WHEREAS, the Sponsor is the developer of The Villages at Summerfield, A Condominium; and

WHEREAS, a Master Deed for The Villages at Summerfield, A Condominium was recorded in the Middlesex County Clerk's Office on September 4, 1996 in Deed Book 4352, Page 282 et seq. (the "Master Deed"); and

WHEREAS, the First Amendment to Master Deed for The Villages at Summerfield, A Condominium, dated December 6, 1996, was recorded in the Middlesex County Clerk's Office on December 11, 1996 in Deed Book 4375, Page 581 et seq. ("First Amendment"); and

WHEREAS, Section 1.03 of the Master Deed reserves to the Sponsor the right to submit those lands described in Exhibit "A-3" to the Master Deed to the Master Deed by the recording an amendment to the Master Deed and the Sponsor desires to do so; and

WHEREAS, Section 6.02 of the Master Deed requires revision to each Units proportionate interest in the Common Elements in the event that the Condominium is expanded and permits the Sponsor to designate the model types for each Unit, including whether or not each Unit is an Affordable Housing Unit; and

See File 1801 926

WHEREAS, certain Units which are being added to the Condominium have been designated as Affordable Housing Units, which are subject certain affordable housing laws;

NOW, THEREFORE, upon recordation of this Amendment, the Master Deed is hereby amended as follows:

1. The Sponsor does hereby submit, declare and establish in accordance with N.J.S. 46-8B-1 et seq., the condominium form of ownership for that parcel of land described in Exhibit "A-3" to the Master Deed, together with all improvements thereon, as more particularly shown in Exhibits "A" and "C-8" through "C-17" to this Second Amendment, as such improvements are contained within the foregoing lands, all of which are hereby declared to be part of the Condominium.

2. Section 1.01 of the Master Deed is hereby amended to include those lands described in Exhibit "A-3" to the Master Deed.

3. Section 3.01 of the Master Deed is hereby amended to include those lands described in Exhibit "A-3" to the Master Deed, consisting of two hundred three (203) Units of varying types, together with all appurtenant site improvements as shown on Exhibits "A" and "C-8" through "C-17" to this Second Amendment as such improvements are contained within those lands, and including all rights, privileges, roads, waters and appurtenances thereto belonging or appertaining. Each Unit is designated by a number as shown on Exhibit "A" to this Second Amendment. The foregoing Units together with the one hundred thirty-six (136) Units previously subjected to the Master Deed total three hundred thirty-nine (339) Units in the Condominium.

4. Section 6.02 of the Master Deed is hereby amended to reflect that any reference therein or elsewhere in the Master Deed to the proportionate interest in the Common Elements of the Condominium described in Exhibit "F" to the Master Deed shall hereafter refer to the proportionate interest in the Common Elements described in Exhibit "B" hereto.

5. Section 4.03 is hereby amended to provide that, subject to amendment of the Master Deed as may be provided therein, the Transition Election shall occur within sixty (60) days after initial conveyance of 25% of the Units in the Condominium (85 Units) and the Second Transition Election shall occur within sixty (60) days after initial conveyance of 75% of the Units (255 Units).

6. The seventy (70) Units designated in Exhibit "B" as Affordable Housing Units are subject to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., regulations of the New Jersey Council On Affordable Housing, N.J.A.C.5:92 - 1 et seq., the affordable housing ordinance of the Township of South Brunswick, and the Municipal Land Ordinance of the Township of South Brunswick,

Article XIX, Section 175-139 et seq. (Hereinafter these laws shall be collectively referred to as the "Affordable Housing Laws"). The Affordable Housing Laws are incorporated herein by reference.

Owners of Affordable Housing Units shall maintain them in accordance with the standards established by the Association and in accordance with the Affordable Housing Laws. Failure to so maintain the Unit shall permit the Association to do so at the cost and expense of the Owner of the Affordable Housing Unit, and the Association shall have a lien on the Unit for the recovery of all sums expended for such purpose as provided for in the Master Deed.

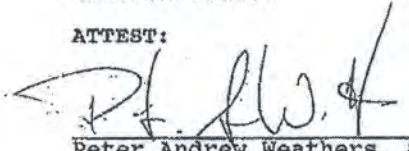
Owners of the Affordable Housing Units shall not convey title to, lease or otherwise deliver possession of the Affordable Housing Units, other than in accordance with the Affordable Housing Laws. The Association shall have no responsibility whatsoever for implementing, enforcing, or supervising the Affordable Housing Laws. The fair market value of the Affordable Housing Unit in the event that the Association elects not to rebuild, with respect to Article XII of the Master Deed entitled "Damage or Destruction to Property", shall be determined in accordance with the provisions of the Affordable Housing Laws and shall be limited to the resale price as set forth in the Affordable Housing Laws. The Association shall carry insurance coverage on the Affordable Housing Units equal to the replacement cost and such Units shall be rebuilt and replaced subject to the Affordable Housing Laws, in the event the Association elects to rebuild. If the Association elects not to rebuild, or to dissolve as provided in the Master Deed, then the Seventy (70) Affordable Housing Units shall be forever released from the restrictions and requirements of the Affordable Housing Laws.

Any amendment of the Affordable Housing Laws affecting an Affordable Housing Unit within the Condominium shall be deemed to amend the terms of this section of this Second Amendment.

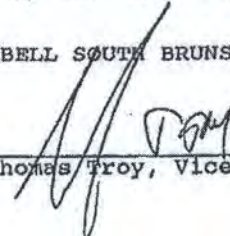
IN WITNESS WHEREOF, the Sponsor has caused this Second Amendment to be duly executed on the day and in the year first written above.

ATTEST:

SHARBELL SOUTH BRUNSWICK, INC.


Peter Andrew Weathers, Secretary

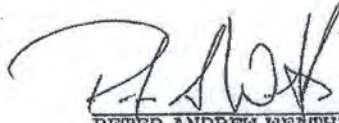
By:


Thomas Troy, Vice President

ACKNOWLEDGEMENT

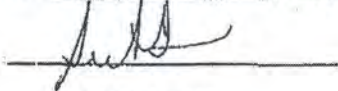
STATE OF NEW JERSEY :
: SS:
COUNTY OF MERCER :

I certify that on June 10th, 1998, PETER ANDREW WEATHERS personally came before me, and this person acknowledged under oath, to my satisfaction that: (a) This person is the Secretary of Sharbell South Brunswick, Inc., the corporation named in this document; (b) this person is the attesting witness to the signing of this document by the proper corporate officer who is Thomas Troy, the Vice President of the corporation; (c) this document was signed and delivered by the corporation by virtue of the authority of its Board of Directors; (d) this person knows the proper seal of the corporation which was affixed to this document; and (e) this person signed this proof to attest to the truth of these facts.



PETER ANDREW WEATHERS, Secretary

Sworn and Subscribed to
before me this 6th day
of June, 1998.



SHERRI A GLASS
MY COMMISSION EXPIRES
NOVEMBER 14, 2000

PERCENTAGE INTEREST IN COMMON ELEMENTS:

<u>UNIT TYPE</u>	<u>QUANTITY OF UNITS</u>	
Market Rate Units	269	.3343%*
Affordable Housing Units	70	.1438%

* The sum of .0073% is deemed to be added to the percentage of interest for the Unit at 102 Dahlia Circle, such that it shall have a percentage of .3416%, for the sole purpose of providing that the total for all Units equals 100 percent. It is the Sponsor's intent that all market rate Units are to be treated equally.

SUMMERFIE

24-Oct-87
(srmmtlca.002)

MULTI-FAMILY ADDRESS AND UNIT TYPE

BLOG #	ADDRESS	MARKET RATE		AFFORDABLE	
		UNIT TYPE	UNIT TYPE	UNIT TYPE	UNIT TYPE
		A	B	C	D
1	101 Blossom Circle			X	
	102 Blossom Circle				X
	103 Blossom Circle				
	104 Blossom Circle			X	
	105 Blossom Circle			X	
	106 Blossom Circle			X	
	107 Blossom Circle			X	
	108 Blossom Circle			X	
	109 Blossom Circle			X	
	110 Blossom Circle			X	
	111 Blossom Circle			X	
	112 Blossom Circle			X	
	113 Blossom Circle			X	
	114 Blossom Circle			X	
	115 Blossom Circle			X	
	116 Blossom Circle			X	
2	201 Blossom Circle			X	
	202 Blossom Circle			X	
	203 Blossom Circle			X	
	204 Blossom Circle			X	
	205 Blossom Circle			X	
	206 Blossom Circle			X	
	207 Blossom Circle			X	
	208 Blossom Circle			X	
	209 Blossom Circle			X	
	210 Blossom Circle			X	
	211 Blossom Circle			X	
	212 Blossom Circle			X	
	213 Blossom Circle			X	
3	301 Blossom Circle			X	
	302 Blossom Circle			X	
	303 Blossom Circle			X	
	304 Blossom Circle			X	
	305 Blossom Circle			X	
	306 Blossom Circle			X	
	307 Blossom Circle			X	
	308 Blossom Circle			X	
	309 Blossom Circle			X	
	310 Blossom Circle			X	
	311 Blossom Circle			X	
4	401 Blossom Circle			X	
	402 Blossom Circle			X	
	403 Blossom Circle			X	
	404 Blossom Circle			X	
	405 Blossom Circle			X	
	406 Blossom Circle			X	
	407 Blossom Circle			X	
	408 Blossom Circle			X	
	409 Blossom Circle			X	
	410 Blossom Circle			X	
	411 Blossom Circle			X	
	412 Blossom Circle			X	
	413 Blossom Circle			X	
	414 Blossom Circle			X	
	415 Blossom Circle			X	
5	501 Blossom Circle			X	
	502 Blossom Circle			X	
	503 Blossom Circle			X	
	504 Blossom Circle			X	
	505 Blossom Circle			X	
	506 Blossom Circle			X	
	507 Blossom Circle			X	
	508 Blossom Circle			X	
	509 Blossom Circle			X	
	510 Blossom Circle			X	
	511 Blossom Circle			X	
	512 Blossom Circle			X	
	513 Blossom Circle			X	
6	601 Blossom Circle			X	
	602 Blossom Circle			X	
	603 Blossom Circle			X	
	604 Blossom Circle			X	
	605 Blossom Circle			X	
	606 Blossom Circle			X	
	607 Blossom Circle			X	
	608 Blossom Circle			X	
	609 Blossom Circle			X	
	610 Blossom Circle			X	
	611 Blossom Circle			X	
7	701 Blossom Circle			X	
	702 Blossom Circle			X	
	703 Blossom Circle			X	
	704 Blossom Circle			X	
	705 Blossom Circle			X	
	706 Blossom Circle			X	
	707 Blossom Circle			X	
	708 Blossom Circle			X	
	709 Blossom Circle			X	
	710 Blossom Circle			X	
	711 Blossom Circle			X	
	712 Blossom Circle			X	
	713 Blossom Circle			X	
8	801 Blossom Circle			X	
	802 Blossom Circle			X	
	803 Blossom Circle			X	
	804 Blossom Circle			X	
	805 Blossom Circle			X	
	806 Blossom Circle			X	
	807 Blossom Circle			X	
	808 Blossom Circle			X	
	809 Blossom Circle			X	
	810 Blossom Circle			X	
	811 Blossom Circle			X	
	812 Blossom Circle			X	
	813 Blossom Circle			X	
	814 Blossom Circle			X	
	815 Blossom Circle			X	

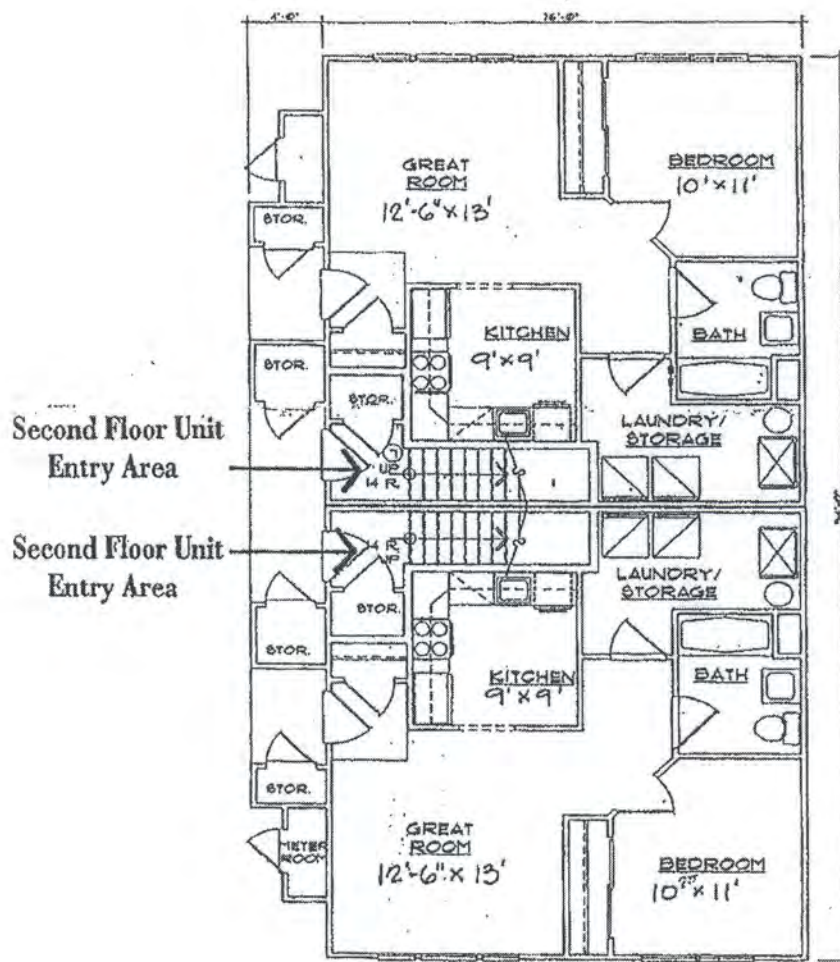
SUMMERFIELD MULTI-FAMILY ADDRESS AND UNIT TYPE

24-Oct-97
(srmmldea.002)

BLOG #	ADDRESS	MARKET RATE						AFFORDABLE					
		A	B	C	D	E	F	G	H	I	J		
9	901 Blossom Circle							X					
	902 Blossom Circle												
	903 Blossom Circle												
	904 Blossom Circle												
	905 Blossom Circle												
	906 Blossom Circle												
	907 Blossom Circle												
	908 Blossom Circle												
	909 Blossom Circle												
	910 Blossom Circle												
10	1001 Blossom Circle												
	1002 Blossom Circle												
	1003 Blossom Circle												
	1004 Blossom Circle												
	1005 Blossom Circle												
	1006 Blossom Circle												
	1007 Blossom Circle												
	1008 Blossom Circle												
	1009 Blossom Circle												
	1010 Blossom Circle												
11	1101 Blossom Circle												
	1102 Blossom Circle												
	1103 Blossom Circle												
	1104 Blossom Circle												
	1105 Blossom Circle												
	1106 Blossom Circle												
	1107 Blossom Circle												
	1108 Blossom Circle												
	1109 Blossom Circle												
	1110 Blossom Circle												
12	1201 Blossom Circle												
	1202 Blossom Circle												
	1203 Blossom Circle												
	1204 Blossom Circle												
	1205 Blossom Circle												
	1206 Blossom Circle												
	1207 Blossom Circle												
	1208 Blossom Circle												
	1209 Blossom Circle												
	1210 Blossom Circle												
12	1211 Blossom Circle												
	1212 Blossom Circle												

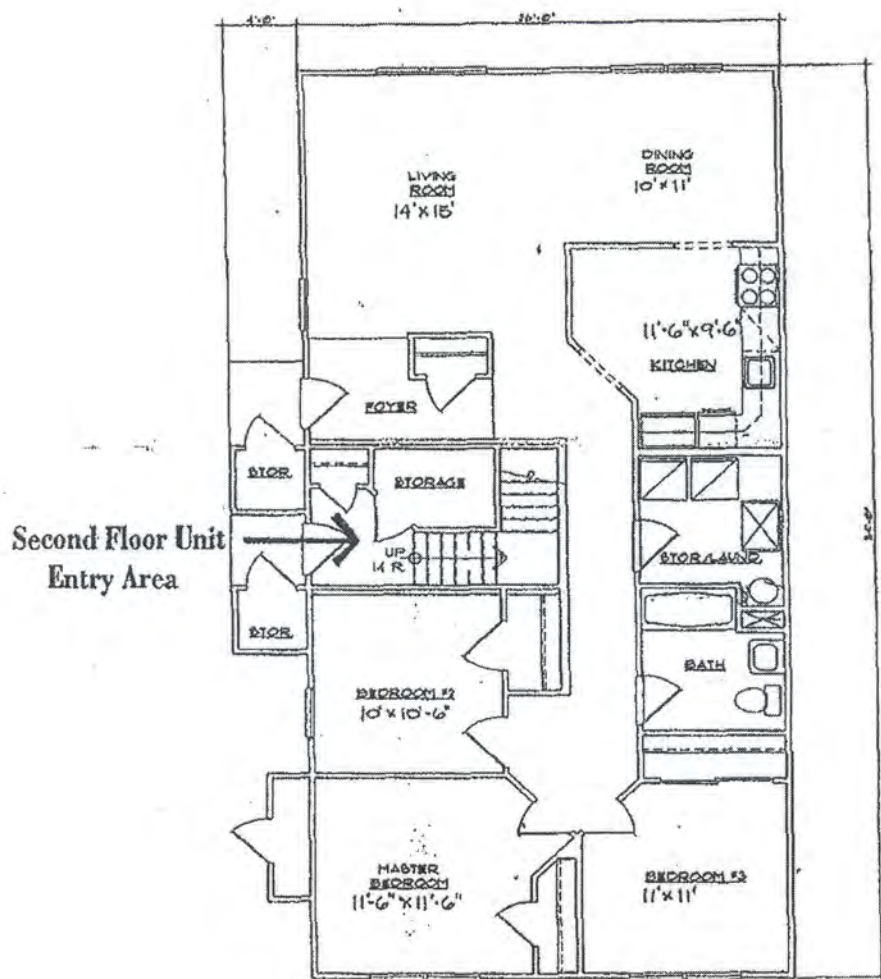
BLOG #	ADDRESS	MARKET RATE						AFFORDABLE					
		A	B	C	D	E	F	G	H	I	J		
13	1301 Blossom Circle												
	1302 Blossom Circle												
	1303 Blossom Circle												
	1304 Blossom Circle												
	1305 Blossom Circle												
	1306 Blossom Circle												
	1307 Blossom Circle												
	1308 Blossom Circle												
	1309 Blossom Circle												
	1310 Blossom Circle												
14	1401 Blossom Circle												
	1402 Blossom Circle												
	1403 Blossom Circle												
	1404 Blossom Circle												
	1405 Blossom Circle												
	1406 Blossom Circle												
	1407 Blossom Circle												
	1408 Blossom Circle												
	1409 Blossom Circle												
	1410 Blossom Circle												
15	1501 Blossom Circle												
	1502 Blossom Circle												
	1503 Blossom Circle												
	1504 Blossom Circle												
	1505 Blossom Circle												
	1506 Blossom Circle												
	1507 Blossom Circle												
	1508 Blossom Circle												
	1509 Blossom Circle												
16	1601 Blossom Circle												
	1602 Blossom Circle												
	1603 Blossom Circle												
	1604 Blossom Circle												
	1605 Blossom Circle												
	1606 Blossom Circle												
	1607 Blossom Circle												
	1608 Blossom Circle												
	1609 Blossom Circle												
	1610 Blossom Circle												
16	1611 Blossom Circle												

TOTAL BY TYPE	MARKET RATE						AFFORDABLE					
	A	B	C	D	E	F	G	H	I	J		
TOTAL MARKET	1	3	2	2	66	69	33	1	24	12		
TOTAL AFFORD												



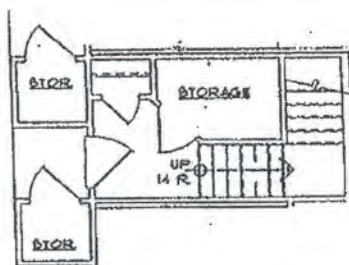
Type A and G - First Floor One-Bedroom "flat" Unit
Total Unit Living Space: +/- 615 Square Feet

Exhibit C-8 (Type A)
 Exhibit C-14 (Type G)

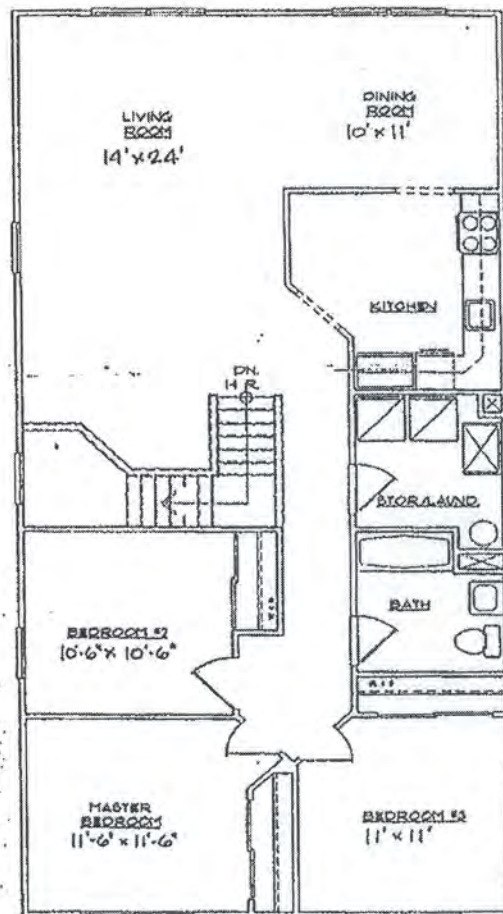


Type B - First Floor Three-Bedroom "flat" Unit
Total Unit Living Space: +/- 1,278 Square Feet

Exhibit C-9

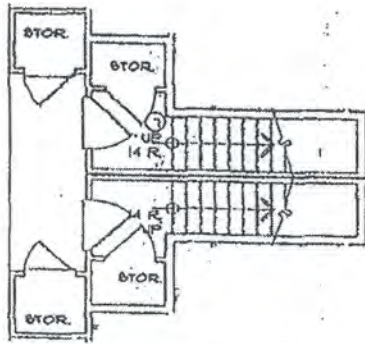


Storage/Closet Area
On Entry Level

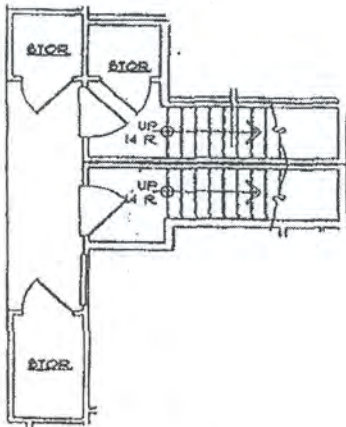


Type C - Second Floor Three-Bedroom "flat" Unit
Total Unit Living Space: +/- 1,404 Square Feet

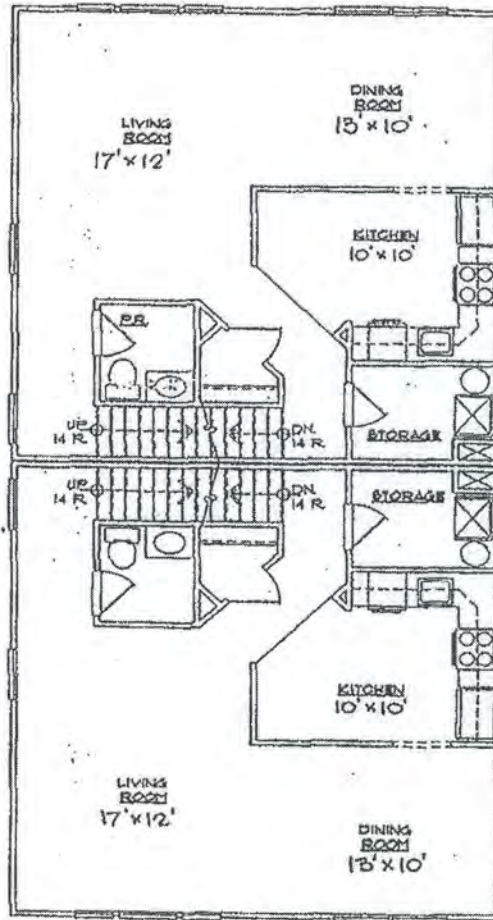
Exhibit C-10



Storage Area
On Entry Level
When Above Type A and G Units

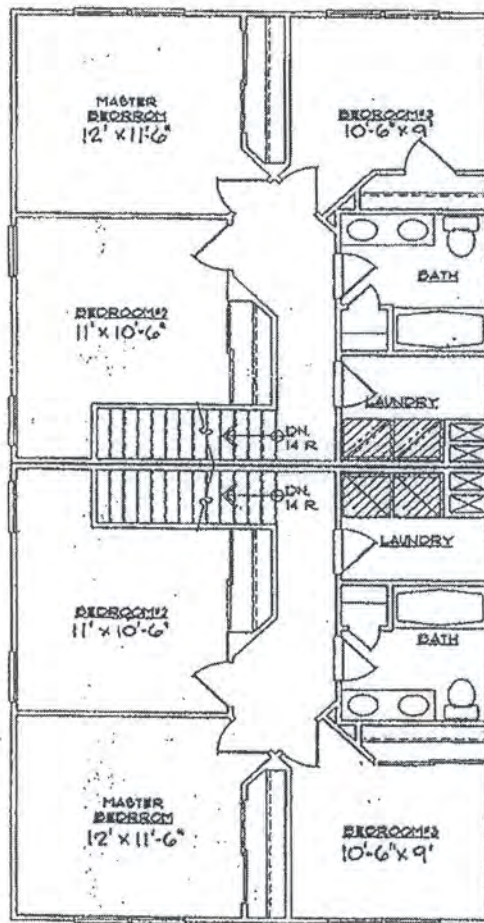


Storage Area
On Entry Level
When Above Type H Unit



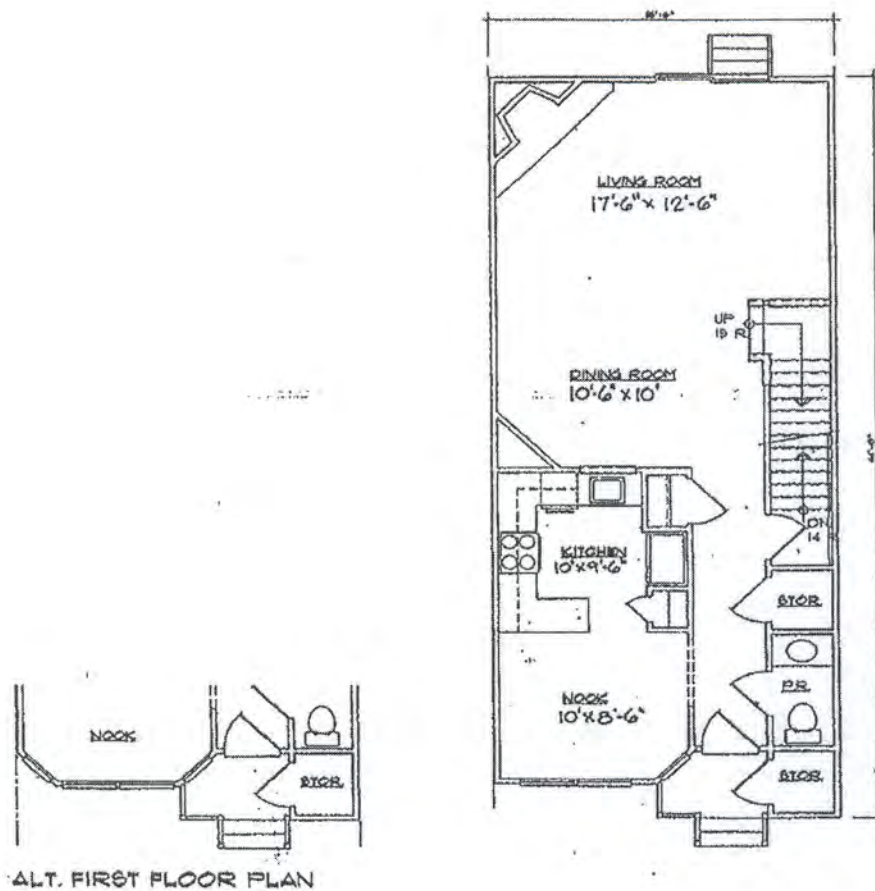
Type D and J - Two Story Three-Bedroom Unit
First Level Second Floor
Total Unit Living Space: +/- 1,290 Square Feet

Exhibit C-11 (Type D) 1 of 2
Exhibit C-17 (Type J) 1 of 2



Type D and J - Two Story Three-Bedroom Unit
Second Level Third Floor
Total Unit Living Space: +/- 1,290 Square Feet

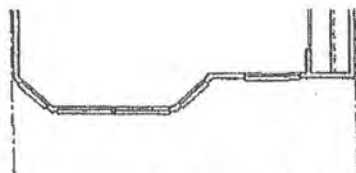
Exhibit C-11 (Type D) 2 of 2
 Exhibit C-17 (Type J) 2 of 2



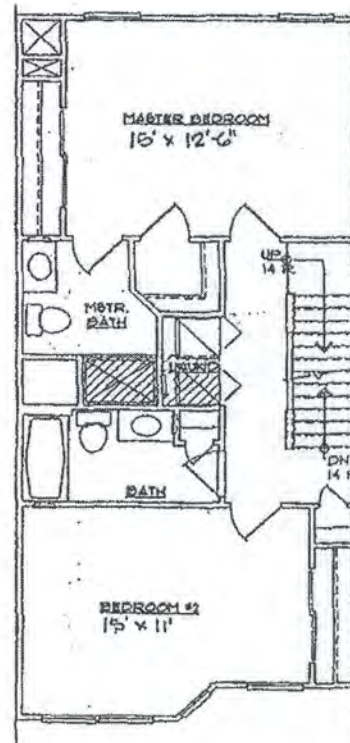
ALT. FIRST FLOOR PLAN

Type E - Two Story 18'-6" Wide Two-Bedroom "Townhome" Style Unit
First Floor

Total Unit Living Space: +/- 1,481 Sq. Ft. No Loft/+/-1,838 Sq. Ft. with Loft

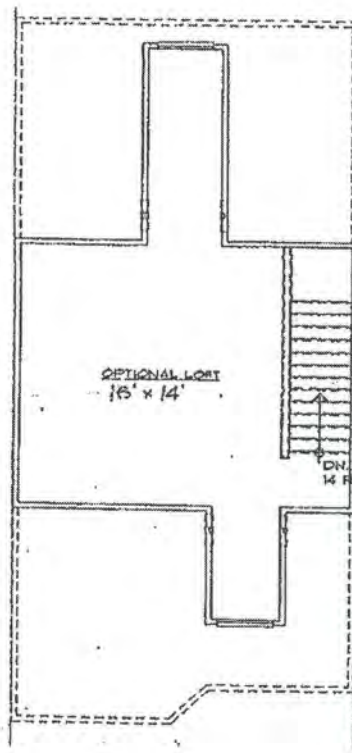


ALT. SECOND FLOOR PLAN

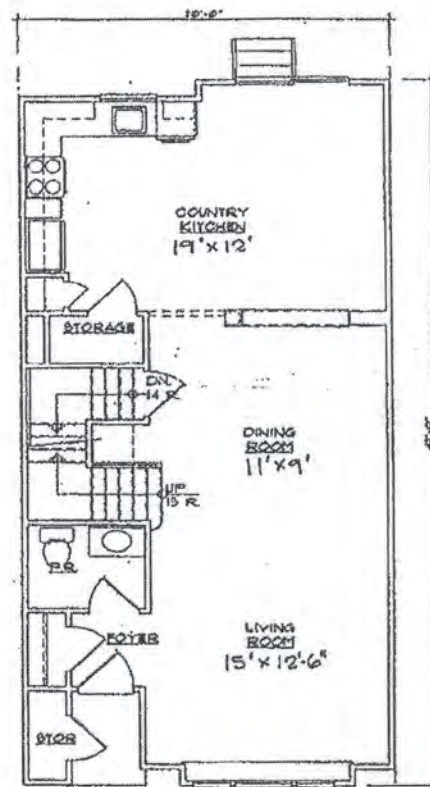
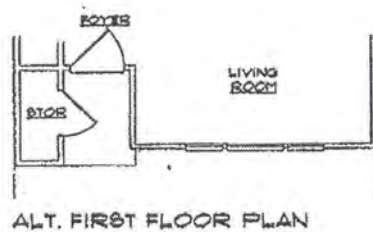


Type E - Two Story 18'-6" Wide Two-Bedroom "Townhome" Style Unit
Second Floor

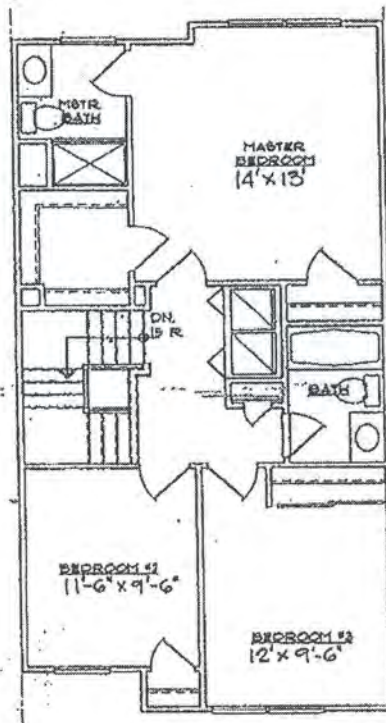
Total Unit Living Space: +/- 1,481 Sq. Ft. No Loft/+/-1,838 Sq. Ft. with Loft



Type E - Two Story 18'-6" Wide Two-Bedroom "Townhome" Style Unit
Optional Third Floor Loft
Total Unit Living Space: +/- 1,481 Sq. Ft. No Loft/+/-1,838 Sq. Ft. with Loft

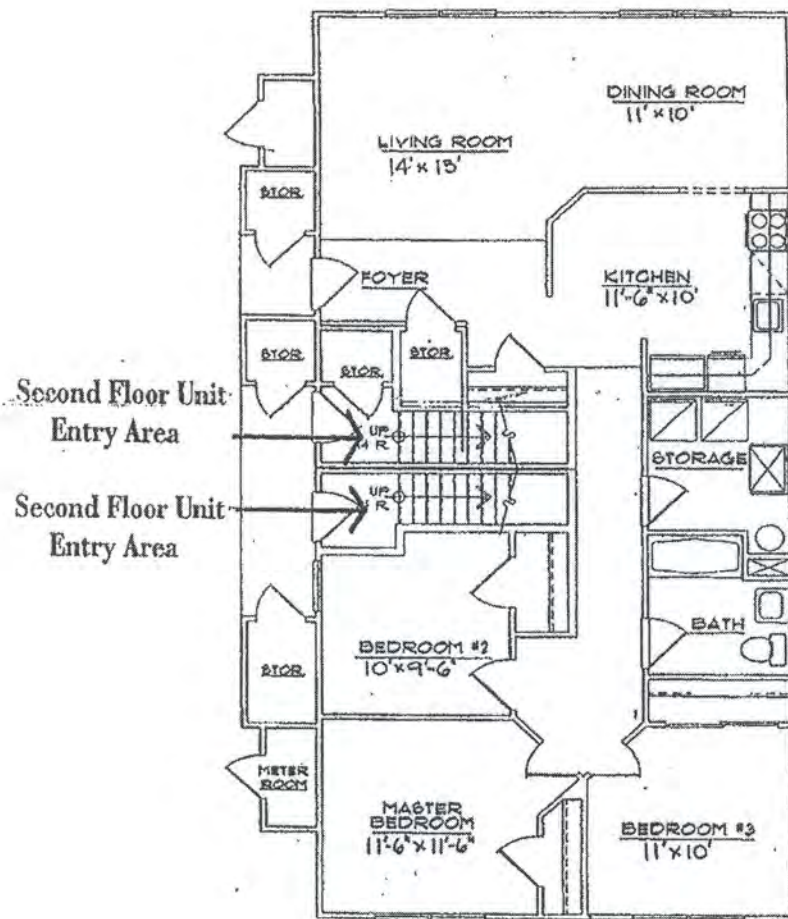


Type F - 'Two Story 20'-0" Wide Three-Bedroom "Townhome" Style Unit
 First Floor
 Total Unit Living Space: +/- 1,543 Square Feet



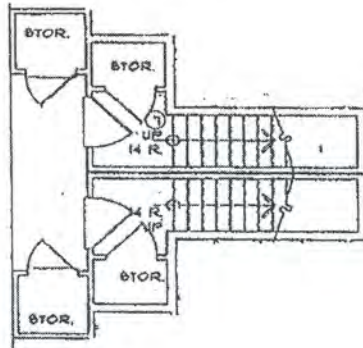
Type F - Two Story 20'-0" Wide Three-Bedroom "Townhome" Style Unit
Second Floor
Total Unit Living Space: +/- 1,543 Square Feet

Exhibit C-13 2 of 2

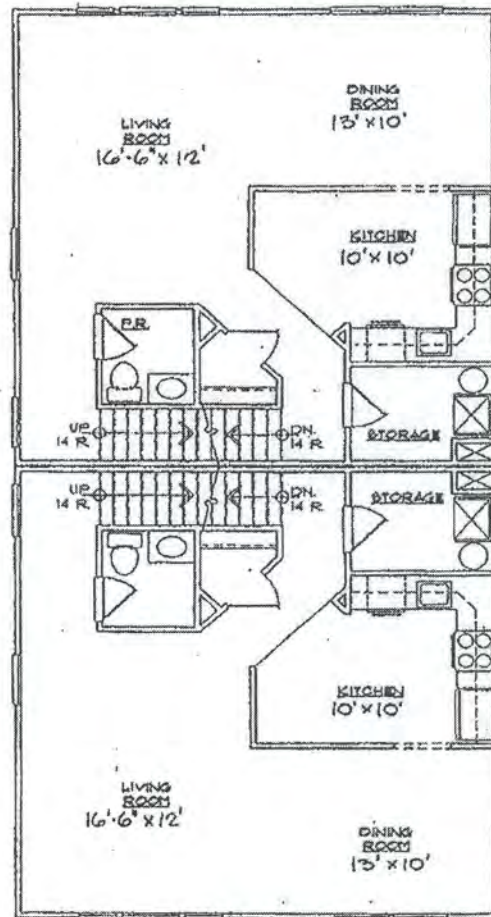


Type H - First Floor Three-Bedroom "flat" Unit
Total Unit Living Space: +/- 1,232 Square Feet

Exhibit C-15



Storage Area
On Entry Level



Type I - Two Story Two-Bedroom Unit
First Level Second Floor
Total Unit Living Space: +/-1,146 Square Feet

END OF DOCUMENT

Exhibit C-16



9. PRIOR ROUND: DEANS POND CROSSING

DECLARATIONS OF COVENANTS AND RESTRICTIONS
FOR THE
DEANS POND CROSSING DEVELOPMENT


Dated: DECEMBER 16, 1996

RECORD AND RETURN TO:

Heilbrunn, Finkelstein, Heilbrunn,
Alfonso, Goldstein & Pape
2501 Route 516
Old Bridge, New Jersey 08857

RETURN TO

RECEIVED/RECORDED	
MIDDLESEX COUNTY 01/30/97	143924
CONSIDERATION	\$.00 TAX
DEED REC. FEE	\$97.00
INSTRUMENT DEED	1711

NAME 

BK4388PG167

BK4388PG167

DECLARATION OF COVENANTS, RESTRICTIONS
AND MAINTENANCE AGREEMENT
OF DEANS POND DEVELOPERS, L.L.C.

WHEREAS, Deans Pond Developers, L.L.C. whose address is 90 Woodbridge Center Drive, Woodbridge, New Jersey 07095, hereinafter referred to as the "Developer", is the owner of Lots ¹⁻¹⁵₁₋₁₅, Block ¹⁻¹⁴₁₋₁₄, which is shown on Sheet 5729 of the Tax Maps of the ³⁰¹⁰₃₀₁₁³⁰¹² Township of South Brunswick, by reason of the subdivision granted by the Planning Board of the Township of South Brunswick; and

WHEREAS, the Developer wishes to memorialize a condition of the approval as it relates to the maintenance of the common storm water management system as well as with regard to the use thereof; and

WHEREAS, for the purpose of enhancing and protecting the value, attractiveness and desirability of the lots described, Developer hereby declares that all of the real property described above and each part thereof be held, sold and conveyed subject to the following easement, covenant, condition and restrictions which shall constitute covenants running with the land and shall be binding on all parties having any right, title or interest in the above described property or any part thereof, their heirs, successors, and assigns and shall enure to the benefit of each owner thereof.

AND FURTHER, WHEREAS the Developer hereby delegates and assigns to Deans Pond Crossing Homeowners' Association, Inc., the powers of owning, maintaining and administering the community

properties and facilities, administering and enforcing the covenants and restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the health, safety and welfare of the residents of the Highview Estates Homeowner's Association.

ARTICLE 1

DEFINITIONS

Section 1.1 "Association" shall mean the Deans Pond Crossing Homeowner's Association, Inc., a New Jersey not-for-profit corporation, formed to administer, manage and operate the common affairs of the Owners of Units in the Development and to maintain, repair, own and replace the Common Elements of the Development as provided in this Declaration.

Section 1.2 "Board" shall mean and refer to the Board of Directors of the Association and any reference herein or in the Certificate of Incorporation, Bylaws or Rules and Regulations to any power, duty, right of approval or any other right of the Association shall be deemed to refer to the Board and not the Membership of the Association, unless the context expressly indicates to the contrary.

Section 1.3 "Bylaws" shall mean and refer to the Bylaws of the Association with all future amendments or supplements thereto.

Section 1.4 "Certificate of Incorporation" shall mean and refer to the Certificate of Incorporation of the Association.

Section 1.5 "Common Elements and Facilities" shall mean and refer to all the real property, if any, improvements and facilities of the Development owned and operated by the Association, as more fully described in Appendix "B" of this Declaration.

Section 1.6 "Common Expenses" shall, subject to the provisions of ARTICLE 5 hereof, mean and refer to all those expenses (including reserves) incurred or assessed by the Association, or its respective directors, officers, agents or employees, in the lawful performance of their respective duties or powers.

Section 1.7 "Declaration" shall mean and refer to this document, the Declaration of Covenants, Easements and Restrictions, including the covenants, conditions and restrictions and all other provisions herein set forth and as may be amended from time to time.

Section 1.8 "Developer" shall mean and refer to Deans Pond Developers, L.L.C., a New Jersey corporation, its successors and assigns; provided, however, that no successor or assignee of the Developer shall have any rights or obligations of the Developer hereunder unless such rights and obligations are specifically set forth by the Developer. Developer's rights hereunder shall cease when construction of Units contemplated by the Development Plan is completed and all Lots and Units are conveyed to owners other than Developer.

Section 1.9 "Development" shall mean and refer to all the lands and premises described in Appendix "A"; and all improvements now or hereinafter constructed in, upon, over or through such lands and premises, whether or not shown on any Appendix hereto;

Section 1.10 "Federal Mortgage Agencies" shall mean and refer to those federal agencies who have or may come to have an interest in the Development, including, but not limited to, the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, or successors to their interests.

Section 1.11 "First Mortgagee" shall mean and refer to an Institutional Lender who holds the mortgage on a Lot and Units and who has notified the Association of its holdings.

Section 1.12 "Governing Documents" shall mean and refer collectively and severally to the Founding Documents and the Rules and Regulations, as such may be amended from time to time.

Section 1.13 "Institutional Lender" shall mean and refer to any commercial or savings bank, mortgage banker, savings and loan association, trust company, insurance company, governmental agency or other financial institution or pension fund, any other lender regularly engaged in financing the purchase, construction or improvement of real estate, or any assignee of loans made by such lender, or any individual who loans money for home purchase or any combination of the foregoing entities.

Section 1.14 "Lot" or "Unit" shall mean and refer to any plot of land shown upon any recorded subdivision map of Development.

Section 1.15 "Member" shall mean and refer to a person or entity who is a record owner of a Lot and Unit subject to this Declaration, including contract sellers, but excluding persons or entities who hold an interest merely as security for the performance of an obligation.

Section 1.16 "Owner" shall mean and refer to those persons or entities in whom record title to any Unit is vested as shown in the records of the Middlesex County Clerk. It shall include the Developer unless the context expressly indicates otherwise. But notwithstanding applicable theory of mortgage, it shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title to any such Unit pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure. The term "Owner" shall not refer to any lessee or tenant of an Owner.

Section 1.17 "Permitted First Mortgage" shall mean and refer to any first mortgage lien encumbering a Unit held by a bank, mortgage banker, trust company, insurance company, savings and loan association, pension fund, governmental agency or other Institutional Lender or which is a purchase money mortgage held by the Developer or by the Seller of the Unit.

Section 1.18 "Registered Notice" shall mean and refer to any notice which has been signed by a recipient or has been certified by the U. S. Postal Service or other entity as having been delivered to the address of the intended recipient. In case of refusal, ordinary mail or personal service then constitutes due notice.

Section 1.19 "Rules and Regulations" shall mean and refer to the rules and regulations duly adopted by the Association with all future amendments and supplements thereto.

Section 1.20 "Supplementary Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by Developer, which extends the provisions of this Declaration and contains such complimentary provisions as are deemed appropriate by Developer and as are herein required.

ARTICLE 2

PROPERTY SUBJECT TO THIS DECLARATION:

Section 2.1 Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the Township of South Brunswick, Middlesex County, State of New Jersey and is more particularly described in Exhibit "A".

ARTICLE 3

DESCRIPTION OF COMMON ELEMENTS AND FACILITIES: REMEDY OF TOWNSHIP OF SOUTH BRUNSWICK

Section 3.1 Common Elements and Facilities

All appurtenances and facilities and all tangible personal property and real property, if any, required for the maintenance of the four (4) detention basins serving the Development which may be owned by the Association including, but not limited to, lawn maintenance and the cleaning of debris in and surrounding the four (4) basins.

All improvements to the Common Elements and Facilities shall have been fully installed and completed and in operation for use by Owners. If such conveyance occurs prior to the conveyance of the last unit, the common elements may be subject to the outstanding balance of the developer's mortgages.

The Association shall not dedicate or transfer all or any part of the common areas to any person or entity other than a governmental or a community organization to be operated for the same or similar purposes. This clause shall not prohibit the association from conveying easements for utilities or drainage to adjoining landowners.

Section 3.2 Remedy of the Township of South Brunswick
 in the event that the common open element
 and facility are not maintained in reasonable
 order and condition

In the event the Association shall fail to maintain the Common Elements and Facilities, then and in that event, the Township of South Brunswick shall have the right to invoke the provisions of N.J.S.A. 40:55D43 subject to all of the conditions and limitations contained therein.

ARTICLE 4

COVENANT FOR MAINTENANCE AND CAPITAL IMPROVEMENT ASSESSMENTS

Section 4.1 Assessments. It shall be an affirmative and perpetual obligation of the Board to fix assessments to Members in an amount at least sufficient to maintain and operate the Common

Elements and Facilities as contemplated by this Declaration or the Bylaws. The amount of monies needed by the Association and the manner of expenditure thereof shall be a matter for the sole discretion of the Board of Directors.

Section 4.2 Each Owner shall bear equal responsibility for any and all common expense assessments, without regard to the size of any unit or lot.

Section 4.3 Assessment shall be made for an annual period to be determined by the Board and shall be payable in monthly installments due on the first day of each month. If the monthly installment is not received by the Association by the fifteenth day of the month, the Association may assess and the Member shall pay a late fee, in an amount to be designated by the Board. The Board shall cause to be prepared at least thirty (30) days in advance of the due date of the first annual Common Expense installment, a list of the Owners of Lots and Units and the annual Common Expense assessment applicable thereto. This list shall be kept in the office of the Association and shall be open to inspection, upon request, by an Owner (Member). Written notice of the annual assessments shall be sent by mail or delivered to every Owner.

Section 4.4 If an annual assessment is not made, an assessment shall be presumed to have been made in an amount equal to the prior year's assessment, increased by five (5%) percent, and any installments of such annual assessments shall be due upon each installment payment date until a new annual assessment is made.

Section 4.5 In the event the annual assessment proves to be insufficient, the budget and assessment may be amended at any time by the Board, provided that nothing herein shall serve to prohibit or prevent the Board from imposing a lump sum assessment in the case of any immediate need or emergency.

Section 4.6 In addition to the annual assessments hereinbefore authorized, the Board may levy, in any assessment year, a special assessment, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement or a described capital improvement upon or to the Common Elements Facilities. The Board shall maintain adequate reserve funds for the maintenance, repairs and replacement of these Common Elements and Facilities that need maintenance, repairs and/or replacement on a periodic basis. Any such special assessment shall be authorized by the vote in person or by proxy of a simple majority of the aggregate votes held by all of the members in good standing affected at a meeting duly called for such purpose. Written notice of such meeting shall be sent to all Owners at least thirty (30) days in advance and which notice shall set forth the purpose of the meeting. The due dates of any special assessment or any installments thereof, shall be fixed in the resolution authorizing such special assessment. If this special assessment is not paid by the due date, the Association may assess and the Member shall pay a late fee, the amount to be designated by the Board in the Rules and Regulations.

Section 4.7 Assessments shall be charged to Members. The amount of assessments charged to each Member shall be a lien against the Lot and Unit owned by such Member. An Owner shall, by acceptance of the title, be conclusively presumed to have agreed to pay his proportionate part of Common Expenses accruing while he is a Member of the Association. However, the liability of an Owner for Common Expenses shall be limited to amounts duly assessed in accordance with this Declaration and the Bylaws. No Owner may exempt himself from liability for his part of Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or Facilities or by abandonment of his lot and Unit or otherwise.

Section 4.8 Claim of Lien. The Association shall have a lien on each Lot and Unit for any unpaid assessment duly made by the Association for a part of the Common Expenses or otherwise, together with interest thereon and reasonable attorney's fees. Such lien shall be effective from and after the time of recording in the public records of the Middlesex County Clerk's Office of a claim of lien stating the description of the Lot and Unit, the name of the Member, the amount due and the date when due. Such claim of lien shall include only sums which are due and payable when the claim of lien is recorded and shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by the lien, the party making payment shall be entitled to a reasonable satisfaction of lien. All such liens shall be subordinate to any lien for past due and unpaid taxes, lien of any

mortgage to which the Lot and Unit is subject and to any other lien recorded prior to the time of recording the claim of lien. Any lien which the Homeowners' Association may have on any Unit in the development for the payment of Common Expense assessments attributable to such Unit will be subordinate to the lien of any first mortgage on the Unit recorded prior to the date any such Common Expense assessment became due.

Section 4.9 Upon any voluntary conveyance of a Lot and Unit, the grantor and grantee of such Lot and Unit shall be jointly and severally liable for all unpaid assessments pertaining to such Lot and Unit duly made by the Association or accrued up to the date of such conveyance without prejudice to the right of the grantee to recover from the grantor any amounts paid by the grantee.

Section 4.10 An Owner or prospective purchaser of a Lot and Unit may require from the Association a certificate showing the amount of unpaid assessments pertaining to such Lot and Unit. The Association shall provide such certificate within ten (10) days after request therefor. The Institutional Lender may request a similar certificate with respect to a Lot and Unit. Any person other than the Owner who relies upon such certificate shall be entitled to rely thereon.

Section 4.11 If an Institutional Lender or other purchaser of a Lot and Unit obtains title to such Lot and Unit as a result of foreclosure of the first mortgage, such acquirer of title, its successor and assigns, shall not be liable for the part of Common Expenses or other assessments by the Association pertaining to such

Lot and Unit or chargeable to the former Owner which became due prior to acquisition of the title as a result of foreclosure. Such unpaid part of Common Expenses and other assessments shall be deemed to be Common Expenses collectible from all the remaining Owners, including such acquirer, successors and assigns. Each holder of a first mortgage lien on a unit who comes into possession of the unit by virtue of foreclosure of the mortgage, or by deed of assignment in lieu of foreclosure, or any purchaser at the foreclosure sale, will take the unit free of any claims for unpaid assessments and charges against the unit which accrue prior to the time such holder comes into possession of the unit, except for claims for a pro rata part of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all development units including the mortgaged unit.

Section 4.12 Liens for unpaid assessments may be foreclosed by suit brought in the name of the Association in the same manner as a foreclosure of a mortgage on real property. The Association shall have the power to bid on the Lot and Unit at the foreclosure sale and to acquire, hold, lease, mortgage and convey the same. Suit to recover a money judgement for unpaid assessments may be maintained without waiving the lien securing same. The Association may institute an action of collection of the unpaid assessments. Legal fees and court fees necessary to institute the action shall be paid by the Member.

ARTICLE 5

COMMON EXPENSES: RESPONSIBILITIES OF
OWNERS: DAMAGE DUE TO NEGLIGENCE,
OMISSION OR MISUSE

Section 5.1 The annual Common Expense assessments, levied by the Board shall be used exclusively for promoting the health, safety, welfare and pleasure of the members of the Association including but without limitation: maintenance, repair and replacement of the Common Elements and Facilities, payment of all insurance premiums relating to the common open space; all costs and expenses incidental to the operation and administration of the Association; and such other items as may from time to time be deemed appropriate by the Board.

ARTICLE 6

EASEMENTS

Section 6.1 Developer, its successors and assigns, shall have the following easements with respect to the Development:

Section 6.1.2 A perpetual, blanket and non-exclusive easement in, upon, over, under, across and through the Common Elements and Facilities for surface water runoff and drainage caused by natural forces and elements, grading, and/or the improvements located on the Development. No individual Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Development.

ARTICLE 7

RESTRICTIONS

The Development is subject to all covenants, restrictions and easements of record and to the following restrictions:

Section 7.1 In order to provide an orderly procedure in the case of title transfers and to assist in the maintenance of a current up-to-date roster of Owners, each Owner shall give to the Secretary of the Association timely notice of Owner's intent to list the Lot and Unit for sale. Upon closing of title Owner shall immediately notify the Secretary of the names and home addresses of the purchasers.

Section 7.2 No noxious or offensive activities shall be carried on, in or upon the Common Elements and Facilities or in or upon any Lot or Unit nor shall anything be done in the Development either willfully or negligently which may be or become an annoyance or nuisance to the other residents in the Development or to the Association or Agent in the management of the Development.

Section 7.3 No immoral, offensive or unlawful use shall be made of any Lot or Unit. All laws, zoning ordinances and regulations of all governmental bodies having or claiming jurisdiction thereof shall be observed.

Section 7.4 No Lot shall be further subdivided or separated into smaller lots by any Owner. No portion less than all of any such Lot shall be conveyed or transferred by an Owner. This, however, does not prohibit deeds of correction, deed to resolve boundary line disputes or similar corrective instruments.

ARTICLE 8

ENFORCEMENT OF RESTRICTIONS

The Board shall have the power to make such Rules and Regulations as may be necessary to carry out the intent of these use restrictions and shall have the right to bring lawsuits to enforce the Rules and Regulations so promulgated.

ARTICLE 9

BYLAWS AND ADMINISTRATION: CHANGES
IN DOCUMENTS: POWER OF ATTORNEY

Section 9.1 The administration of the Common Elements and Facilities of the Development shall be by the Association in accordance with the provisions of this Declaration, the Certificate of Incorporation, the Bylaws, the Rules and Regulations and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently be required by an Institutional Lender designated by the Developer or by any governmental agency having or claiming regulatory jurisdiction over the Developer or by any title insurance company selected by Developer to insure title to any Lot or Unit. Developer hereby reserves for itself, its successors and assigns, for a period of five (5) years from the date the first Lot and Unit is conveyed to an individual purchaser, the right to execute on behalf of all contract purchasers, Owners, mortgagees, other lienholders or parties claiming a legal or equitable interest in the Development, any such agreement, documents, amendments or supplements to the

above described documents which may be so required by any such Institutional Lender, governmental agency or title insurance company; provided, however, that no such agreement, documents, amendment or supplement which adversely affects the value or substantially alters the size of any Lot or Unit or increases the financial obligations of the Owner or reserves any additional or special privileges shall be made without the prior written consent of the affected Owner(s) and all owners of any mortgage(s) encumbering same.

Section 9.2 By acceptance of a deed to any Lot and Unit or by the acceptance of any other legal or equitable interest in the Development, each and every such contract purchaser, Owner, mortgagee, or other lienholder or party having a legal or equitable interest in the Development does automatically and irrevocably name, constitute, appoint and confirm:

Section 9.2.1 Developer, its successors and assigns, as attorney-in-fact for the purpose of executing such Supplementary Declarations and other instrument(s) necessary to effect the foregoing, subject to the limitations set forth above in the preceding paragraph.

Section 9.3 The powers of attorney aforesaid are expressly declared and acknowledged to be coupled with an interest in the subject matter hereof and the same shall run with the title to any and all Lots and Units and be binding upon heirs, personal representatives, successors and assigns of any of the foregoing parties. Further, said powers of attorney shall not be affected by

the death or disability of any principal and are intended to deliver all right, title and interest of the principal in and to said powers.

ARTICLE 10

OBLIGATIONS OF DEVELOPER AND NO PARTITION

Section 10.1 Until the conveyance of title to the first Lot and Unit, the Developer shall be solely responsible for all Common Expenses. Each Unit Owner upon taking title shall be responsible for payment of its proportionate interest, said interest to be determined by dividing the annual budget by 333 units. The Developer shall only be responsible for payment of Common Expenses assessed against Units which have been completed but which have not been conveyed to an individual Purchaser. Completion shall be defined as receipt of Certificate of Occupancy. Developer shall not be required to provide funds set forth in the budget for services which are provided by the Developer.

ARTICLE 11

MEMBERSHIP IN THE ASSOCIATION

Upon acceptance of a deed to a Lot and Unit each Owner shall automatically become a Member of the Association and shall be a Member for so long as he/she shall hold legal title to their Lot and each Unit shall be subject to all provisions of this Declaration, the Certificate of Incorporation and the Bylaws and Rules and Regulations which may now or hereafter be

established/amended for or by the Association. The Developer shall be a Member of the Association with respect to all Lots and Units owned by it.

ARTICLE 12

COMPLIANCE BY OWNERS

Each Owner or occupant of a Lot and Unit shall comply with and shall assume ownership or occupancy subject to laws, rules and regulations of governmental authorities having or claiming to have jurisdiction over the Development, the provisions of this Declaration, the Certificate of Incorporation, Bylaws, Rules and Regulations or any other documents, amendments or supplements to the foregoing as described in Article 9 hereof. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or for injunctive relief, or both, by the Developer, the Association or any Owner, in any court or administrative tribunal having jurisdiction, against any person or persons, firm or corporation violating or attempting to violate or circumvent any of the aforesaid, and against any Owner to enforce any lien created by this Declaration or any covenant contained herein. Failure by the Developer, the Association or any Owner to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same.

ARTICLE 13

DAMAGE OR DESTRUCTION

If any of the Common Elements are damaged or destroyed by fire or casualty, the repair, restoration or ultimate disposition of any insurance proceeds shall be in accordance with the following:

Section 13.1 With regard to the Common Elements, the Board shall contract with a licensed contractor or contractors to rebuild or repair such damage or destroyed portion of the Common Elements in conformance with the original plans and specifications. If this is impracticable in the Board's opinion, then in conformance with revised plans and specifications, provided such repairs or rebuilding shall be of a quality and kind substantially equivalent to the original construction.

Section 13.2 If the insurance proceeds are not sufficient to defray the estimated costs of reconstruction and repair of the Common Elements, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the costs thereof are insufficient, assessments shall be made against the Association in sufficient amounts to provide funds for the payment of such costs.

Section 13.3 If the amount of available insurance proceeds should exceed the cost of any such reconstruction and repair of the Common Elements, the excess shall be retained by the Association and applied by it to reduce the Common Expenses.

ARTICLE 14

EMINENT DOMAIN

If any of the Common Elements and Facilities or any part thereof shall be taken, injured or destroyed by eminent domain, the Association shall be entitled to the entire award.

ARTICLE 15

INSURANCE

The Board may obtain and continue in effect blanket property insurance on the Common Elements and Facilities in an amount equaling replacement value if such insurance is available. In addition, the Board may obtain and continue such other amounts of liability insurance coverage as may be required to adequately protect the association and its members from claims of injury or damages arising from the ownership, maintenance or operation of the storm water management system. Premiums for all such insurance coverage shall be a Common Expense to be included in the monthly assessment for Common Expenses.

ARTICLE 16
RIGHTS OF FIRST MORTGAGEES

Section 16.1 Consents

The Association shall not, without the prior written consent of two-thirds (2/3) of the First Mortgagees (such vote being based upon one vote for each first mortgage held on each Unit by such First Mortgagees):

Section 16.1.1 Abandon, partition, subdivide, encumber, sell or transfer the Common Elements and Facilities, except for the granting of easements for public utilities or for other purposes consistent with the use of such Common Elements and Facilities by the Association;

Section 16.1.2 Change the method of determining the assessments that are levied against an Owner of a Lot and Unit by the Association;

Section 16.1.3 Change, waive or abandon any covenants or regulations or the enforcement thereof pertaining to the maintenance of storm drainage facilities in the Common Elements.

Section 16.1.4 Use any hazard insurance proceeds for losses to any Common Elements and Facilities for other than the repair, replacement or reconstruction of such Common Elements.

ARTICLE 17

AMENDMENT OF DECLARATION

This Declaration may be amended at any time after the date hereof by a vote of at least two-thirds (2/3) of all Owners at any meeting of the Association duly held in accordance with the provisions of the Bylaws. No amendment shall be effective until recorded in the Office of the Clerk of Middlesex County, New Jersey. This article is by way of supplement to and not in derogation of the powers of amendment reserved to Developer pursuant to ARTICLE 9 hereof. In the alternative, an amendment may be made by an agreement, signed and acknowledged by all of the Owners in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Office of the Clerk of Middlesex County, New Jersey. The developer shall not be permitted to cast any votes held by him for unsold lots, parcels, units or interests for the purpose of changing the permitted use of a lot, parcel, unit or interest, or for the purpose of reducing the Common Elements or Facilities except for the conveyance to or dedication to the municipality of the storm water management system maintained by the association.

ARTICLE 18

ENFORCEMENT

Enforcement of this Declaration shall be by any appropriate proceeding in law or equity in any court or administrative tribunal having or claiming jurisdiction against any person or persons, firm or corporation violating or attempting to violate any covenant herein contained. An action may be instituted either to restrain or enjoin such violation or threatened violation or to recover damages. Failure by the Association or any Member thereof to enforce any covenant herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to thereafter enforce the same. The failure of any unit owner to comply with the provisions of the Declaration, Bylaws and the Articles of Incorporation of the Homeowners Association will give rise to a cause of action in the Homeowners Association and any aggrieved unit owner for the recovery of damages, or for injunctive relief, or both.

ARTICLE 19

WAIVER

No provision contained in this Declaration shall be deemed to have abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 20

GENDER

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural and vice versa, whenever the context so requires.

ARTICLE 21

RATIFICATION, CONFIRMATION AND
APPROVALS OF AGREEMENTS

The fact that some or all of the officers, Directors, Members or employees of the Association and the Developer may be identical, and the fact that the Developer or its nominees have heretofore or may hereafter enter into agreements with the Association or with third parties, will not invalidate any such agreements. The Association and its Members, from time to time, will be obligated to abide by and comply with the terms and conditions of such agreements. The purchase of a Lot and Unit and the acceptance of the deed thereof by a party, shall constitute the ratification, confirmation and approval by such purchaser (his heirs, legal representatives, successors and assigns) of the property and legality of such agreements or any other agreements authorized and permitted by this Declaration, the Certificate of Incorporation or the Bylaws. This ratification, confirmation and approval shall be subject to the provisions of the Planned Real Estate Development Full Disclosure Act, N.J.S.A. 45:22A-21 et seq.

ARTICLE 22

RIGHTS RESERVED TO DEVELOPER

Anything to the contrary herein or in the Certificate of Incorporation or Bylaws of the Association notwithstanding, Developer hereby reserves for itself, its successors and assigns, for so long as it owns one or more Lots and Units in the Development, the right to sell, lease, mortgage or sublease any unsold Lots and Units within the Development.

ARTICLE 23

DURATION

The provisions of this Declaration shall be perpetual in duration, shall run with and bind all of the land included in the Development and shall inure to the benefit of and be enforceable by the Association and the Owners, their respective successors, assigns, heirs, executors, administrators and personal representatives, except that the covenants and restrictions set forth in ARTICLE 7 shall have an initial term of forty years from the date this Declaration is recorded in the Office of the Middlesex County Clerk, at the end of which period such covenants and restrictions shall automatically be extended for successive periods of ten (10) years each, unless at least two-thirds (2/3) of the Owners at the time of expiration of the initial period, or of any extension period, shall sign an instrument, or instruments which may be in counterparts, in which they shall agree to change

said covenants and restrictions in whole or in part; but no such agreement shall become binding unless written notice containing the terms of the proposed agreement is sent to every Owner at least ninety (90) days in advance of the action taken in authorizing said agreement. In the event any changes concerning any such agreement shall not become effective and binding until three (3) years after the recording of the aforesaid fully executed instrument or instruments containing such agreement. In no event may the Common Elements and Facilities be conveyed to any third person, firm or corporation without (1) first offering to dedication same to the Township of South Brunswick pursuant to N.J.S.A. 40:55D-43, and (2) the express consent, by ordinance, of the Town Council of the Township of South Brunswick.

ARTICLE 24

INVALIDITY

The invalidity of any provision of this Declaration, the Certificate of Incorporation or the Bylaws of the Association shall not be deemed to impair or affect in any manner the validity, enforceability or effect the remainder of this Declaration or the Bylaws and in such event all of the other provisions of this Declaration and the Bylaws shall continue in full force as if such invalid provisions had never been included.